

CAPE AGULHAS MUNICIPALITY

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK 2017/2018 TO 2019/2020



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CAPE AGULHAS MUNICIPALITY
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ANNUAL BUDGET OF
CAPE AGULHAS
MUNICIPALITY

2017/18 TO 2019/20
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

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Part 1 – Annual Budget

1.1 Vision & Mission

Our Vision

Together for excellence

Saam vir uitnemendheid

Sisonke siyagqwesa

Our Mission

To render excellent services through good governance, public ownership and partnership in order to create a safer environment that will promote socio-economic growth and ensure future financial sustainability in a prosperous southernmost community

This will be achieved through:

- Fairness
- Integrity
- Accountability and responsibility
- Transparency
- Innovativeness
- Responsiveness
- Empathy

1.2 Mayor's Report

In terms Section 152 of the Constitution of the Republic of South Africa, the objectives of local government are as follows:

- a) To provide democratic and accountable government for local communities;
- b) To ensure the provision of services to communities in a sustainable manner;
- c) To promote social and economic development;
- d) To promote a safe and healthy environment; and
- e) To encourage the involvement of communities and community organisations in the matters of Local Government.

A municipality must strive, within its financial and administrative capacity, to achieve these objective set out in Section 152.

As Mayor and Council we would like to emphasise the fact that this is a “Peoples Budget” with major focus on the following areas:

- Youth Development
- Development and upgrading of Recreational Facilities
- Social Development and related projects
- Local Economic Development (LED)
- Beautification of Communities
- Sport Development
- Uplift and support elderlies
- Safety and Security of the Community

In line with our “Peoples Budget” commitments above, examples of allocations included in this budget are as follows:

- Investigation into the viability of a CCTV monitoring system in the Cape Agulhas Area;
- Development of an Informal Trading Areas (Business Hives);
- Beatification of Town Entrances and Communities in general;
- Upgrading of roads and sidewalks;
- Upgrading of Public Ablution Facilities;
- Development of new sport facilities (as well as the maintenance and upgrading of current facilities) to facilitate in Youth Development; and
- Establishment of a Vegetable Garden.

Council is also committed towards the delivery of high quality basic services. This commitment can be seen in the significant allocations made towards the upgrading and upkeep of basic service delivery infrastructure in the municipal area.

The concept of “Quality Services and other support to communities” versus “Financial and Administrative Capabilities” can never be separated from one another, as poor services and support will ultimately lead to financial difficulties, while delivering services and support above the financial and administrative capabilities will in turn also lead to service delivery issues. More commonly, this is referred to as “Council’s Balancing Act”.

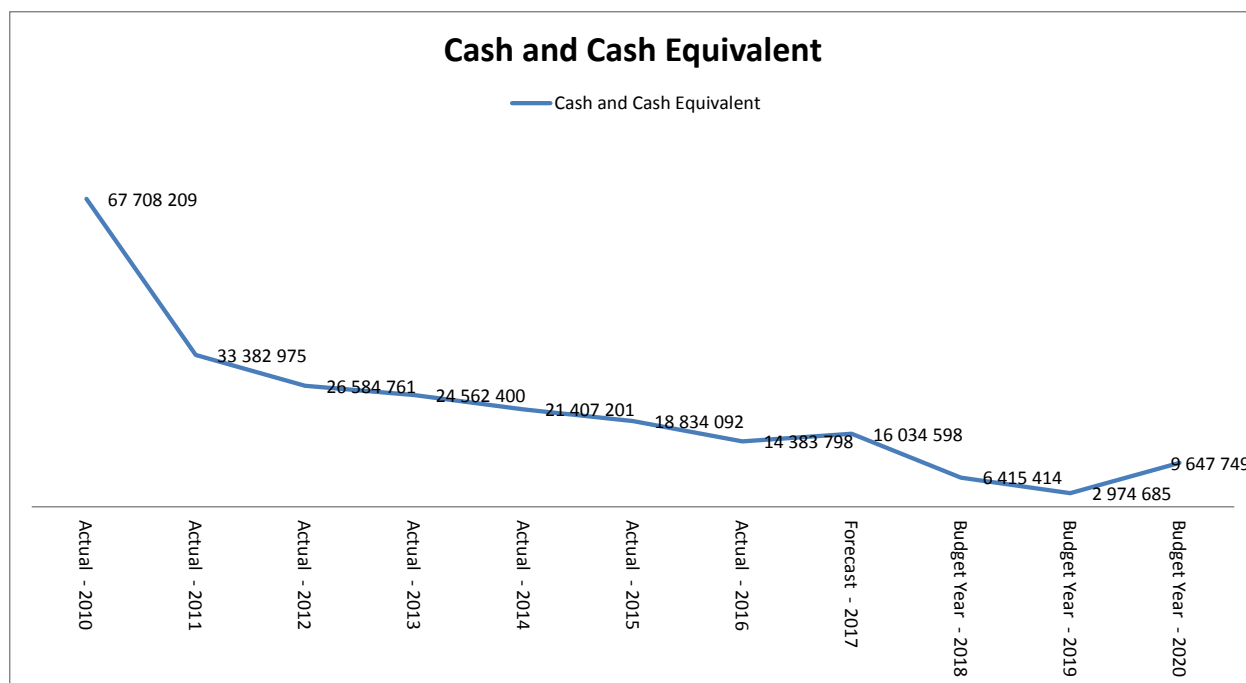
Cape Agulhas Local Municipality, like so many other municipalities in South Africa, is faced with various challenges when balancing quality basic services and support to the financial and administrative capabilities of the municipalities. These challenges include, but is not limited to the following:

- Ageing Infrastructure as one of the biggest threats to sustainable service delivery;
- Population growth putting strain on the municipal infrastructure to keep track of service delivery demands;
- Housing backlogs;
- Poverty in the municipal area and the ability to pay for basic services; and
- Depletion of Cash Reserves (as highlighted below)

This balancing act is further complicated by the unlimited needs of the citizens in the municipal area as discussed later in this report.

Financial sustainability is largely influenced by the ability of the municipality to preserve, or even increase, cash resources. Municipalities should as far possible approve budgets that are within their financial constraints. In other words, projected capital and operating expenditure should be

financed from projected future revenue streams, thus eliminating the need to utilise accumulated funds from previous years. Currently, although still a funded budget, the proposed budget will have a negative impact on the projected cash position of the municipality as indicated below:



(It should be emphasised that the projections above is based on the fact that we recover revenue in line with historical actual trends and that we **fully utilise** all allocations made towards capital and operating programs. Cost savings in certain areas during the 2016/2017 financial year, especially relating to electricity bulk purchases, could potentially see the forecast improve by as much as R 6 million on 30 June 2017. When these savings materialize, it will also filter through to the 2017/18 MTREF. Although this approach could be seen as too conservative, it definitely gears the municipality better towards unforeseen financial setbacks it might encounter.)

Although it is expected that the downward trend in cash will be curbed during the 2019/2020 financial year, the downward trend up to 30 June 2019 remains a concern. Not only is this downward trend a serious threat to the financial viability and the ability of the municipality to provide basic services on a sustainable manner, it is also a concern that the downward trend is experienced even though external funding of approximately R 15 million is being introduced in the capital funding mix of the municipality over the 2017/2018 MTREF.

It is expected that the cash resources of the municipality will decrease by R 9,619 million during 2017/2018 and by R 3,441 million during 2018/2019 before the downward trend is curbed. This significant downward trend can mainly be attributed to the inability of the municipal budget to produce adequate cash resources to meet the proposed capital and operating program of the municipality, which includes approximately R 9 million capital from own revenue sources per financial year during the MTREF.

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
NET CASH FROM/(USED) OPERATING ACTIVITIES	23 527	13 909	20 973	34 975
LONG TERM FINANCING RAISED	3 553	5 661	6 983	2 150
TOTAL FUNDING AVAILABLE	27 081	19 570	27 956	37 125
PROPOSED CAPITAL PROGRAM	(24 252)	(27 665)	(29 682)	(29 203)
CASH SURPLUS/(SHORTFALL)	2 829	(8 094)	(1 726)	7 921

The municipality should strive to align the available funding to the proposed capital program to ensure that reserves from prior years are not depleted.

The South African economy and inflation targets

The 2017 Budget Review emphasised that, while the global economic growth outlook has improved, it is clouded by the prevailing policy uncertainty due to the increasing pressure within the world trading system. These factors may jeopardise South Africa's prudent macroeconomic and fiscal policies, which include inflation targeting and a flexible exchange rate, the local economy's ability to adjust to global volatility and the stable investment platform.

GDP growth rate is forecasted to increase by 1.3 per cent in 2017 and to improve moderately over the medium term with to 2 per cent and 2.2 per cent in 2018 and 2019 respectively. This forecast is supported by marginally higher global growth, stabilising commodity prices, greater reliability of the electricity network, more favorable weather conditions, recovering business and consumer confidence, and improved labour relations. The positive trajectory marks a shift from several years of declining growth however; this is still not high enough to markedly reduce unemployment, poverty and inequality.

The unemployment rate was 26.5 per cent in the fourth quarter of 2016. In aggregate mining and manufacturing employment declined by 80 306 jobs in 2016 while the services sector created 119 189 jobs during the same period. The economy continues to create opportunities for semi-skilled and skilled workers, and to shed unskilled jobs, reinforcing poverty and inequality and widening the wage gap.

These economic challenges will continue to pressurize municipal revenue generation and collection levels hence a conservative approach is advised for projecting revenue. Municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures.

To address these concerns, the following strategic goals and objectives (aligned to both the National KPA's and the departments within the municipality) are contained in the IDP of Cape Agulhas Municipality:

National KPA	Municipal KPA	Strategic goal	Strategic objective	Department
KPA1: Good Governance and Public Participation	MKPA1: Good Governance and Public Participation	SG1: To ensure good governance and institutional sustainability	SO1: To create a culture of good governance	Administration
				Council Administration
				Internal Audit
				Municipal Manager
			SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	Council Support
				Shared Services
				Strategic & Risk Management services
				Client Services
KPA2: Municipal Institutional Development and Transformation	MKPA2: Municipal Institutional Development and Transformation	SG2: To ensure institutional sustainability	SO3: To create an administration capable of delivering on service excellence.	Council Administration
				Administration
				Beaches & Holiday Resorts
				Buildings and Commonage
				Human Resources & Organisational Development
				Information Systems
KPA3: Local Economic Development	MKPA3: Local Economic Development and Tourism	SG3: To promote local economic development in the Cape Agulhas Municipal Area	SO4: To create an enabling environment for economic growth and development	Parks and Sports Facilities
				Administration
				Human Resources & Organisational Development
				Parks and Sports Facilities
			SO5: To promote tourism in the Municipal Area	Socio & Economic Development
				Strategic & Risk Management services
KPA4: Municipal Financial Viability and Management	MKPA4: Municipal Financial Viability and Management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	SO6: To provide effective financial, asset and procurement management	Council Administration
				Director: Financial Services & ICT
				Budget and Treasury Office
				Expenditure Management
				Revenue Management
KPA5: Basic Service Delivery	MKPA5: Basic Service Delivery	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	SO10: Development of sustainable vibrant human settlements	Supply Chain Management
				Building Control
				Human Settlements
			SO7: Provision of equitable quality basic services to all households	Town Planning
				Council Administration
				Director: Engineering Services and PMU Unit
			SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	Electricity Services
				Sewerage Services
				Refuse Removal Services
			SO9: To provide community facilities and services	Streets & Stormwater
				Water
				Workshop
			SO10: Development of sustainable vibrant human settlements	Cemetery
				Library Services
				Public Services
MKPA6: Social and youth development	MKPA6: Social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	SO10: Development of sustainable vibrant human settlements	Human Settlements
				Director: Management Services
				Council Administration
			SO11: To promote social and youth development	Socio & Economic Development
				Environmental Services
				Protective Services
			SO12: To create and maintain a safe and healthy environment	Refuse Removal Services
				Traffic & Law Enforcement
				Traffic Licencing & Vehicle Testing Station

The Integrated Development Plan (IDP) is a 5 year strategic developmental plan, setting strategic and budget priorities as required in terms of the Municipal Systems Act of 2000. It is a plan to help us set our budget priorities, so in essence it indicates how Cape Agulhas Municipality will spend its money for the next five years. The IDP should be aligned with the development plans of provincial and national government, and is agreed upon between Cape Agulhas Municipality and the residents during the public participation process. Therefore the IDP enables Cape Agulhas Municipality to make the best use of scarce resources and it also enables the councillors to make decisions based on the needs and priorities of their communities.

With the IDP, Cape Agulhas Municipality can:

- Develop a clear vision
- Identify its key development priorities
- Formulate appropriate strategies
- Develop the appropriate organisational structure and systems
- Align resources with development priorities

In view of the aforementioned, the following allocations are allocated to the strategic objectives and goals in the MTREF under review:

Operating Expenditure per Strategic Objective

Strategic Objective	Goal	Goal Code	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
			Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand						
SO1: To create a culture of good governance	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO1	19 291	20 333	21 379	22 748
SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO2	3 916	480	505	526
SO3: To create an administration capable of delivering on service excellence.	SG2: To ensure institutional sustainability	KPA2/SG2/SO3	26 530	28 990	29 952	31 786
SO4: To create an enabling environment for economic growth and development	SG3:To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO4	1 420	886	396	432
SO5:To promote tourism in the Municipal Area	SG3:To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO5	1 508	1 573	1 601	1 641
SO6: To provide effective financial, asset and procurement management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	KPA4/SG4/SO6	38 005	41 251	43 028	45 845
SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO8	138 693	144 994	151 637	159 475
SO9: To provide community facilities and services	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO9	6 765	7 136	7 570	8 070
SO10: Development of sustainable vibrant human settlements	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO10	7 046	7 402	7 168	7 312
SO10: Development of sustainable vibrant human settlements	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA5/SG5/SO10	18 731	21 131	20 720	40 862
SO11:To promote social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO11	4 361	9 320	10 476	10 208
SO12:To create and maintain a safe and healthy environment	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO12	21 651	25 425	26 733	28 021
Total Expenditure			287 917	308 922	321 162	356 928

Capital Expenditure per Strategic Objective

Strategic Objective	Goal	Goal Code	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
			Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand						
SO1: To create a culture of good governance	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO1	410	527	7	–
SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO2	52	294	–	–
SO3: To create an administration capable of delivering on service excellence.	SG2: To ensure institutional sustainability	KPA2/SG2/SO3	3 709	4 316	5 844	2 404
SO6: To provide effective financial, asset and procurement management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	KPA4/SG4/SO6	369	1 161	–	–
SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO8	18 658	18 732	23 030	25 874
SO9: To provide community facilities and services	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO9	551	294	130	10
SO10: Development of sustainable vibrant human settlements	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO10	9	13	–	–
SO11: To promote social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO11	145	22	31	–
SO12: To create and maintain a safe and healthy environment	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO12	348	2 308	640	915
Total Capital Expenditure			24 252	27 665	29 682	29 203

1.3 Council Resolutions

It is recommended that the Council approves and adopts the following resolutions for the annual budget:

The Council of Cape Agulhas Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:

- 1.1. The annual budget of the municipality for the financial year 2017/18 and the multi-year and single-year capital appropriations as set out in the following tables in part 1.8 of this report
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4; and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5.
- 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables in part 1.8 of this report:
 - 1.2.1. Budgeted Financial Position as contained in Table A6;
 - 1.2.2. Budgeted Cash Flows as contained in Table A7;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;
 - 1.2.4. Asset management as contained in Table A9; and
 - 1.2.5. Basic service delivery measurement as contained in Table A10.

2. The Council of Cape Agulhas Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2017:
 - 2.1. the tariffs for property rates – as set out in Annexure A,
 - 2.2. the tariffs for electricity – as set out in Annexure A
 - 2.3. the tariffs for the supply of water – as set out in Annexure A
 - 2.4. the tariffs for sanitation services – as set out in Annexure A
 - 2.5. the tariffs for solid waste services – as set out in Annexure A
3. The Council of Cape Agulhas Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2017 the tariffs for other services, as set out in Annexure A.

1.4 Executive Summary

Cape Agulhas Municipality is very proud of the achievements reached in recent years. Not only have we managed to achieve 3 consecutive clean audits (2013/2014 to 2015/2016 financial years), we have also managed to maintain the delivery high quality services to the residents in the municipal area through tough economic times.

This MTREF will also mark the beginning of a new era in the Municipal Budgeting and Accounting environment through the introduction of the mSCOA (Municipal Standard Chart of Accounts) at municipalities throughout South Africa on 1 July 2017. The mSCOA project, led by National Treasury, is aimed at standardising the way we transact and report on financial and other related information to the community and other stakeholders. Cape Agulhas Municipality is excited by this enormous challenge presented by the implementation of this new regulation and is definitely viewing this project as an opportunity to improve the data quality of the municipality.

In view of the aforementioned, it should also be noted that the implementation of mSCOA has a significant effect on how we classify transactions when compared to previous financial year. To compensate for this classification discrepancies, it proposed in MFMA Circular 86 that the budgeted tables only includes financial information relating to the 2018 MTREF with historic information being submitted on a separate schedule. In line with this proposal, it should be noted that this report focus mainly on the MTREF period with the historic information only included as an addendum to the report.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2017/18 Medium-term Revenue and Expenditure Framework:

Consolidated Overview of the 2017/18 MTREF (R'000)

R thousand	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Total Operating Revenue	270 897	293 765	311 915	353 675
Total Operating Expenditure	(287 917)	(308 922)	(321 162)	(356 928)
<i>Surplus/(Deficit) before capital transfers</i>	(17 020)	(15 157)	(9 247)	(3 253)
Transferred Recognised Capital	11 202	12 969	13 001	18 264
<i>Surplus/(Deficit) for the year</i>	(5 818)	(2 187)	3 753	15 011

As can be seen from the above, the municipality will operate at an operating deficit throughout the MTREF. An operating deficit is an indication that the municipality is not generating sufficient revenue to sustain its operating expenditure, let alone the fact that the operating budget is not contributing any revenue at all towards the capital program. It should also be noted that the operating budget also includes items such as depreciation and debt impairment which are not considered to be a “cash” expense. These item will not result in an immediate cash outflow. It should however be noted that non-cash items will eventually translate into cash outflow when for example the fully depreciated asset needs to be replaced. Municipalities are advised as a minimum to prepare or strive towards a balanced budget (ie revenue equals expenditure). Although a balanced budget is not necessarily considered a funded budget, it will definitely contribute to the “funded budget principle” over long run.

The budget presented is aligned to the following vote structure:

<i>Executive and Council</i>	<i>Financial Services & ICT</i>	<i>Management Services</i>	<i>Engineering Services</i>
<i>Municipal Manager</i>	<i>Director: Financial Services & ICT</i>	<i>Director: Management Services</i>	<i>Director: Engineering Services</i>
<i>Council Administration</i>	<i>Budget & Treasury</i>	<i>Beaches & Holiday Resorts</i>	<i>Sewerage Services</i>
<i>Council Support</i>	<i>Expenditure Management</i>	<i>Buildings and Commonage</i>	<i>Refuse Removal Services</i>
<i>Shared Services</i>	<i>Revenue Management</i>	<i>Cemetery</i>	<i>Streets & Stormwater</i>
<i>Strategic Services</i>	<i>Supply Chain Management</i>	<i>Environmental Services</i>	<i>Water</i>
<i>Town Planning</i>	<i>Workshop</i>	<i>Human Settlements</i>	<i>Building Control</i>
<i>Socio & Economic Development</i>	<i>Information Systems</i>	<i>Library Services</i>	<i>Electricity Services</i>
<i>Administration</i>		<i>Parks and Sports Facilities</i>	<i>PMU Unit</i>
<i>Human Resources & Organisational Development</i>		<i>Protective Services</i>	
		<i>Public Services</i>	
		<i>Traffic & Law Enforcement</i>	
		<i>Traffic Licencing & Vehicle Testing Station</i>	

As mentioned earlier in the report, the vote structure was reviewed and adjusted during the current budget cycle. In line with the long term financial plan of the municipality, the restructuring was required to curb the allocation to employee related cost component in the budget. The restructuring resulted in the elimination of the following 2 votes:

Corporate Services –	Reduced the number of Directors at Cape Agulhas Municipality by one. All functions incorporated under remaining directorates.
Electricity Department –	Previously accounted for as a separate vote, now incorporated under Engineering Services

In line with the revised structure, the following revenue and expenditure is appropriated to each vote:

Vote Description R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Revenue by Vote</u>				
Vote 1 - Executive and Council	14 391	28 496	30 863	34 167
Vote 2 - Financial Services & ICT	59 846	66 723	72 724	80 354
Vote 3 - Corporate Services	4 309	—	—	—
Vote 4 - Management Services	51 953	45 214	44 845	66 178
Vote 5 - Engineering Services	51 828	166 301	176 483	191 240
Vote 6 - Electricity	99 773	—	—	—
Total Revenue by Vote	282 099	306 734	324 915	371 939
<u>Expenditure by Vote to be appropriated</u>				
Vote 1 - Executive and Council	17 743	41 823	43 491	46 857
Vote 2 - Financial Services & ICT	38 005	47 136	49 264	52 460
Vote 3 - Corporate Services	27 306	—	—	—
Vote 4 - Management Services	60 932	63 866	66 108	87 170
Vote 5 - Engineering Services	57 678	156 097	162 300	170 442
Vote 6 - Electricity	86 254	—	—	—
Total Expenditure by Vote	287 917	308 922	321 162	356 928
Surplus/(Deficit) for the year	(5 818)	(2 187)	3 753	15 011

Community Needs Analysis

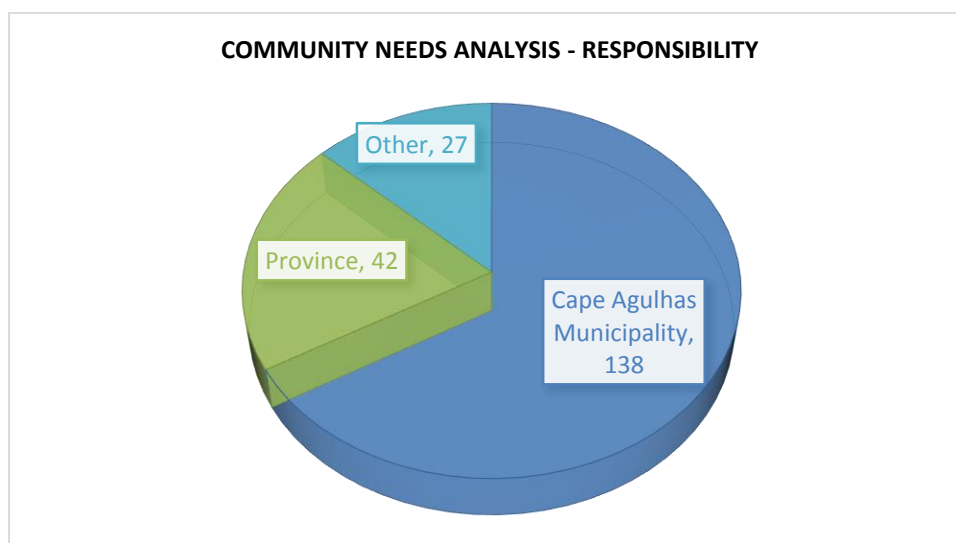
The community needs analysis assesses current and future community needs so that future planning is targeted at meeting local priorities in the most equitable, effective and efficient way within the parameters of the Municipality's mandate and resources.

The assessment focused on all needs of the community and not just those that fall within the functional mandate of the Municipality. For this reason community needs identified in the IDP are often perceived as a wish list and Municipalities are often seen as misleading the communities by allowing them to list their needs and or concerns as it creates expectations. It is however important to list all these needs as they also inform District, Provincial and National Planning. Furthermore, it is very often a requirement from potential donors that a need be included in the Municipal IDP before it will be considered.

Needs were classified as Municipal, Provincial, and other. The bulk of the other are needs identified by the Elim Community which is a private town managed by the Moravian Church of South Africa. The development of a sustainable service delivery model to this community is a critical issue which the Municipality needs to resolve and a MOU has already been concluded that identifies specific areas of co-operation.

Of the 207 needs on the analysis, 69 do not fall within the functional mandate of the Municipality. This attests to a huge facilitation role on the part of the Municipality if we are going to deliver on what is needed. The following graph shows the classification of the needs according to responsibility.

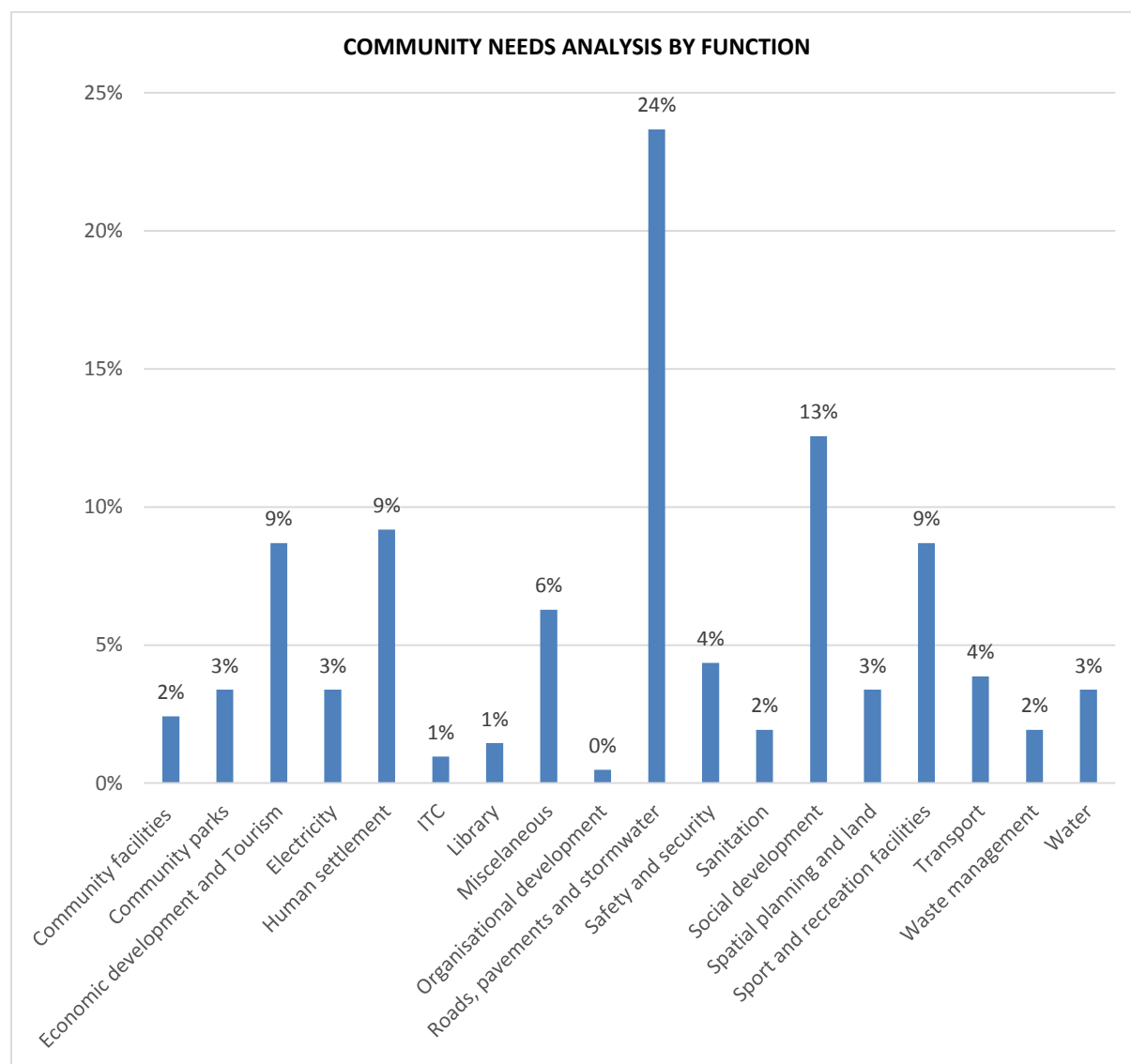
FIGURE - COMMUNITY NEEDS ANALYSIS -RESPONSIBILITY



It was very apparent during the public and ward committee meetings that the strategic agenda of the Municipality needs to focus on socio economic development. Safety and security, social development, Economic development /Job creation and Public transport featured on the top of every wards list and is therefore a cross cutting priority. There is an interrelatedness between these and collectively these needs to a large extent informed many of the other needs. These needs accounted for 30% of the needs but were also the driver behind the majority of the other needs. Libraries, community parks and sport and recreation needs were seen as solutions to keep the youth busy. The attractiveness of towns and main streets and pavements were seen as contributors to economic development and mobility.

The following graph shows the needs classified per function. By far the greatest need from the community in terms of infrastructure is for improved roads, pavements and storm water. This includes Provincial roads. A limitation to this analysis in terms of infrastructure is that the community do not have insight into the capacity of the Municipality's bulk infrastructure in terms of water, sanitation and electricity and do therefore not see it as that much of a need, whereas roads, streets and pavements are very visible.

FIGURE - COMMUNITY NEEDS ANALYSIS BY FUNCTION



The needs identified above draw awareness to the diversity of the community. CAM must take cognisance that it is governing a diverse society, socially and economically and therefore its policies must aim to satisfy this diversity.

Financial Viability

Cape Agulhas Municipality have recently updated their long term financial. This plan should be utilised to guide all budget related decisions of the municipality. The following ratio's and benchmarks were identified which is considered significant to the long term sustainability of the municipality:

Ratio	Norm	Target 2017/18	Budgeted 2017/18	Comments
Liquidity Ratios				
- Standard Liquidity Ratio	2:1	3.5:1	1.16:1	The municipality is below the target for 2017/18 as well as the norm.
- Minimum Liquidity Ratio	1 Month	3.3 Months	0.27 Months	The municipality is below the target for 2017/18 as well as the norm.
- Overdraft to Total Income	0%	0%	0%	This ratio is achieved as it is anticipated that there will not be a bank overdraft at the end of 2017/18.
Operational Ratios				
- Accounting Surplus	>0	R17m	R15 m (loss)	The municipality is currently operating at a loss
- Cash Operating Surplus	>0	R17m	R 1.640 m (Cash Surplus)	The municipality is currently not producing sufficient cash to reach the target for 2017/18.
- Repairs and Maintenance to Total Expenditure	7.00%	6.10%	18.35%	The municipality is above the target for 2017/18 as well as the norm. This is mainly due to salaries and wages, Other Expenditure and Contracted Services directly attributable to repairs and maintenance now being included in the calculation of the norm.
- Consumer Collection Levels	>95%	97%	97%	This ratio is achieved by the municipality. Collection rates have always been an area of strength for the municipality.
- Staff Costs	25% to 30%	45%	40%	The target for 2017/18 have been achieved. The ratio is however still in excess of the norm. This ratio should however be reviewed with caution, as it could easily be influenced by periodic fluctuations in certain expenditure items (such as expenditure relating to grant allocations).
External Gearing Ratios				
- External Loan Liability Paid (Cost Coverage)	2:1	103.3:1	Negative	This ratio is currently negative as the municipality is operating at an loss.
- External Interest and Capital Paid to Total Expenditure	7.50%	0.10%	0.96%	The ratio is currently above the target, but still well below the norm. There are further room to incorporate more external funds in the funding model of the capital program.
- External Gearing Ratio	25.00%	0.00%	3.05%	The ratio is currently below both the target and norm. There are further room to incorporate more external funds in the funding model of the capital program.

As previously mentioned, the sustainability of the municipality is highly dependent on the ability of the municipality to preserve or even improve on current cash levels. Further details how the municipality will be addressing the shortcomings above are included in the long term financial plan of the municipality.

The municipality further assesses their viability on the model jointly developed by Swartland Municipality and the Western Cape Provincial Treasury. This model assesses 10 key ratios that is considered the most important indicators when assessing the long term viability of the municipality. A weighting is attached to each indicator that will eventually provide the municipality with a viability score out of 100. The municipality should always strive for the maximum score of 100. Any score below 100 will be indicative of “sustainability cracks” that could eventually negatively impact on service delivery in the municipal area.

The 10 indicators, along with the proposed benchmark and weight are included in the following table:

ITEM	Benchmark	Viability Weight	Standard 1	Score 1	Standard 2	Score 2	Standard 3	Score 3	Standard 4	Score 4	Standard 5	Score 5
Asset Test Ratio	200%	10	200%	10	150%	8	100%	5	50%	2	0%	0
Payment Level (Excluding write-off of bad debts)	> 95%	15	95%	15	90%	11	85%	6	80%	3	75%	0
Cash Generated from Operations as % of Revenue	> 20%	8	20%	8	15%	6	10%	4	5%	2	0%	0
Purchase of PPE as % of Cash Generated	< 100%	8	100%	8	110%	6	120%	4	135%	2	150%	0
Cost Coverage (Excluding Unspent Grants)	4	15	4	15	4	10	3	5	2	2	1	0
Debtors Turnover (days) (Before impairment)	< 45 days	2	75	2	90	1	110	0	130	0	150	0
Longterm debt as % of Revenue	< 40%	5	40%	5	50%	4	75%	3	95%	2	100%	0
Debt servicing cost to Revenue	< 5%	8	5%	8	7.50%	6	10%	4	12.50%	2	15%	0
Short-term debt as % of Cash	< 100%	4	50%	4	70%	3	80%	2	100%	1	125%	0
Cash Funded Budget over MTREF	> R0	25	Yes	25	No	0	0	0	0	0	0	0

The 10 indicators provide the municipality with an assessment of the following major areas:

- Revenue Management
- Expenditure Management
- Debtor and Creditor Management
- Cash Management
- Asset Management
- Funding and Reserve Strategy

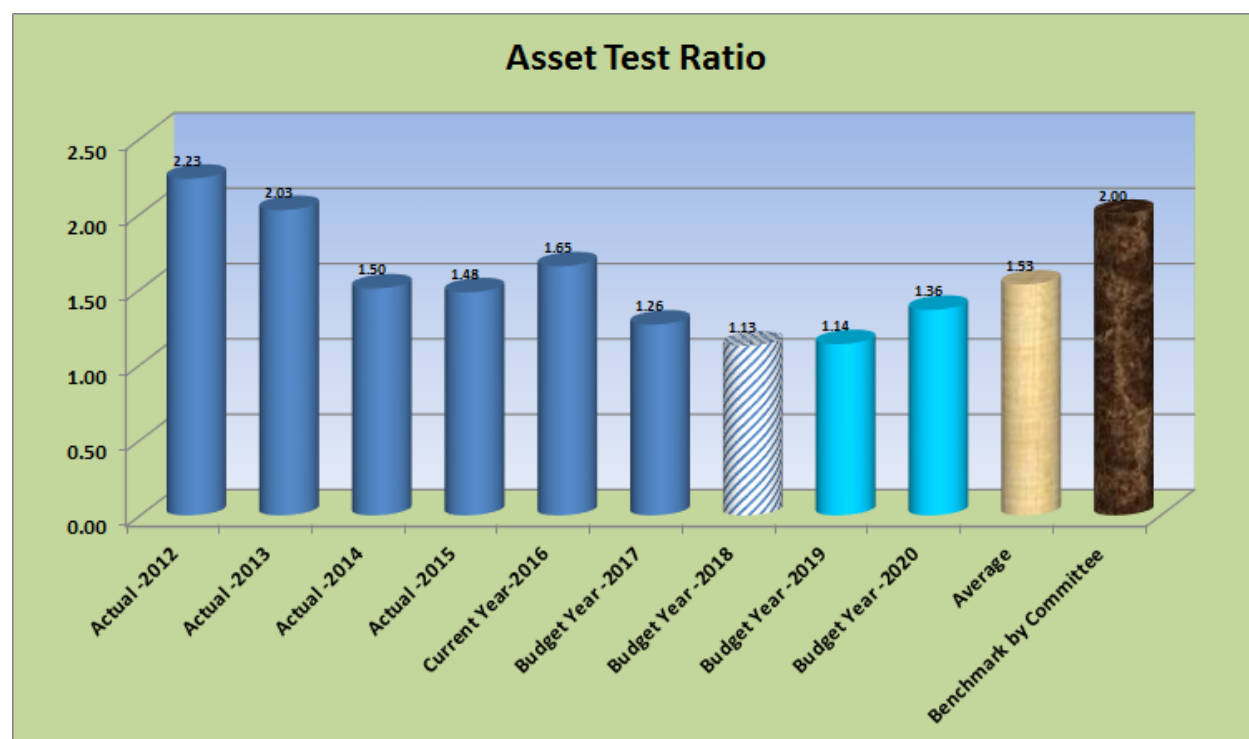
All the indicators will be discussed below. It should again be noted that these ratios are based on the full implementation of the proposed capital and operating program and that revenue realise in line with the most recent actual audited results.

1.4.1.1 Asset Test Ratio

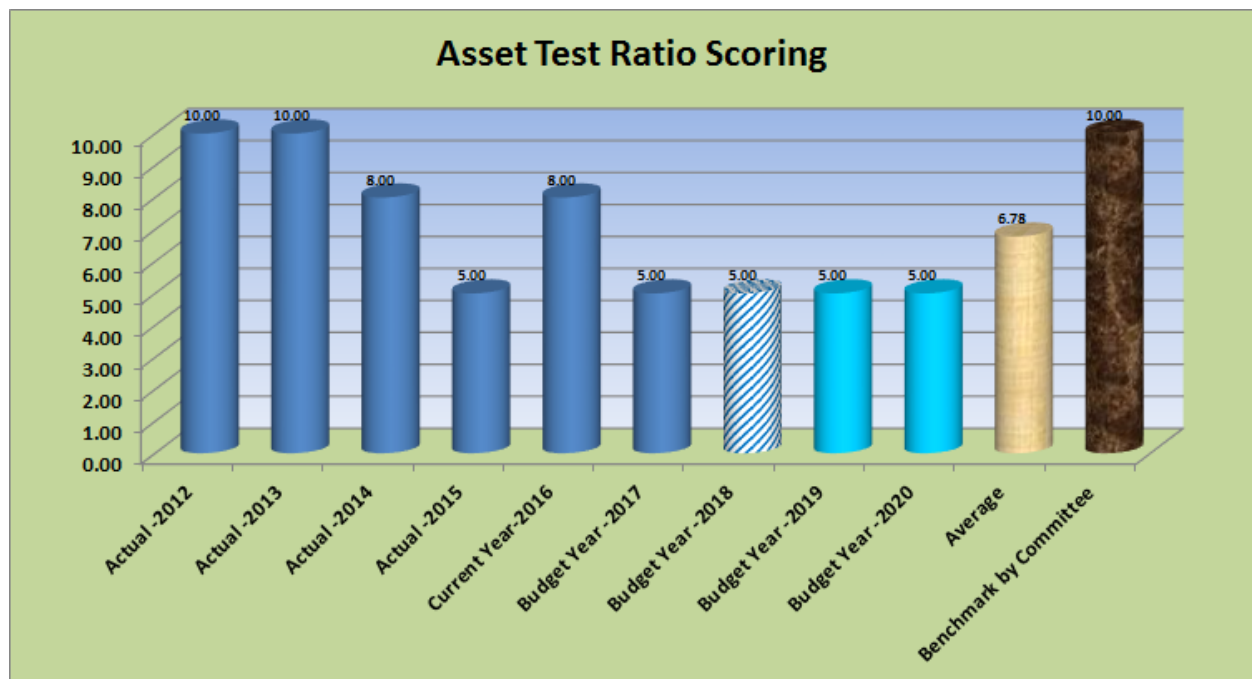
The asset test ratio provides with an indication of the municipality's ability to settle commitments if and when they become due. It is calculated as follows ratio between current assets (excluding inventory) and current liabilities:

A ratio of 2:1 is considered to be appropriate.

This ratio has already slipped below the acceptable level of 2:1 during 2013/2014. It is not expected that the level of 2:1 will be reached over the MTREF, as this ratio is very dependent on adequate cash resources. However, taking into account the potential R 6 million saving that could potentially materialize during 2016/2017, it is possible for this ratio to reach 1.5:1 during 2019/20.

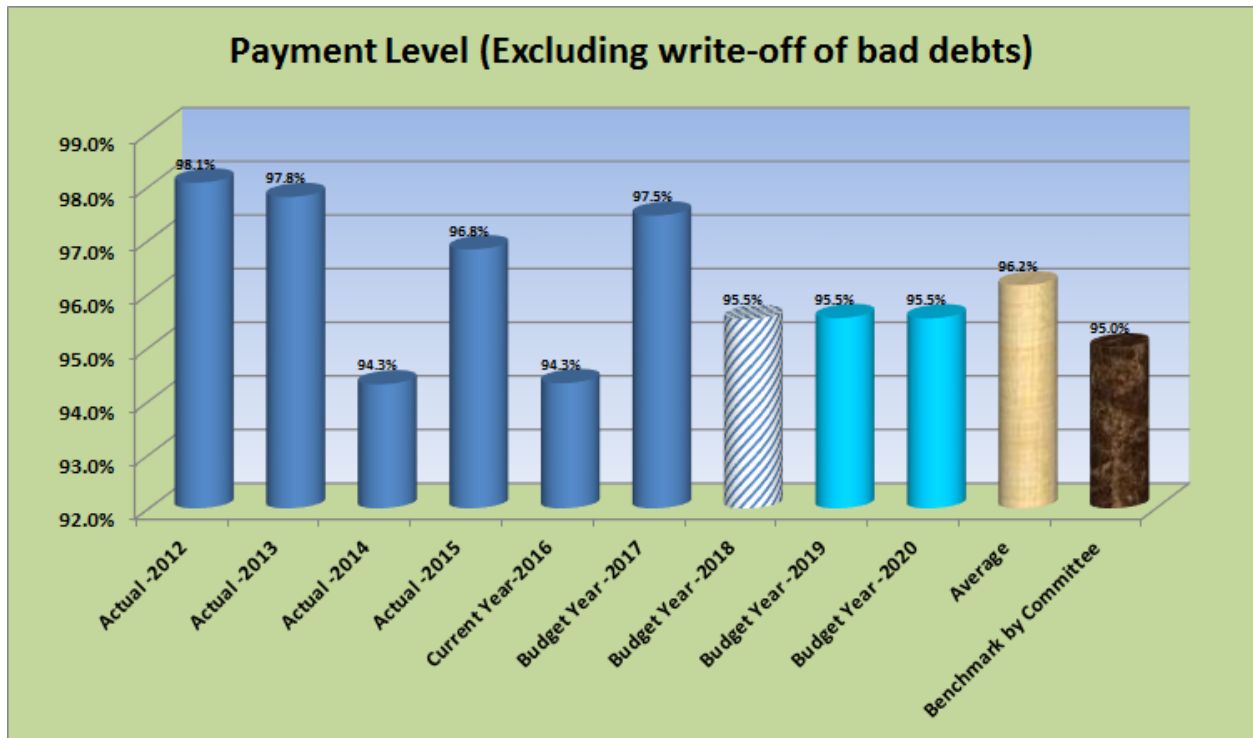


From a viability scoring out of 10 for this indicator, the following is allocated for this indicator:



1.4.1.2 Payment Level

Historically, the municipality has always been able to apply strict measures when it comes to revenue collection and this trend is set to continue. A revenue collection rate in excess of 95% is considered to be exceptional in the current economic environment.



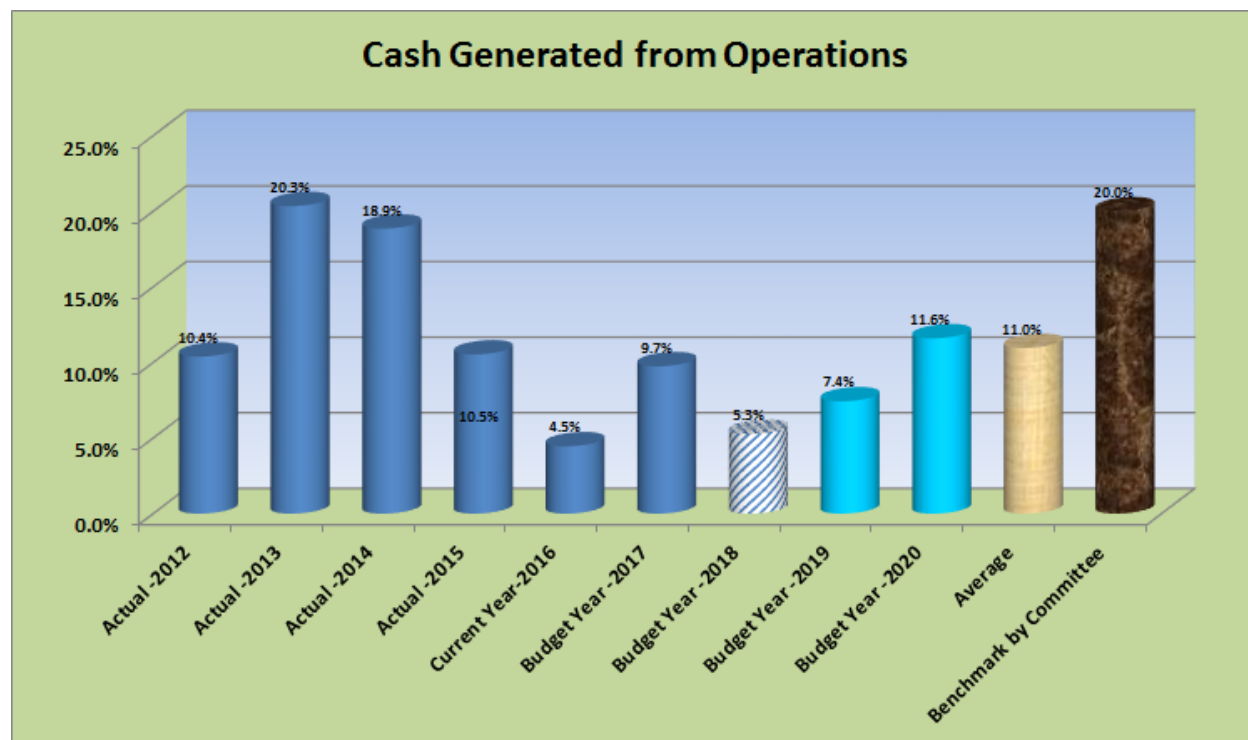
A following score is allocated to this indicator:



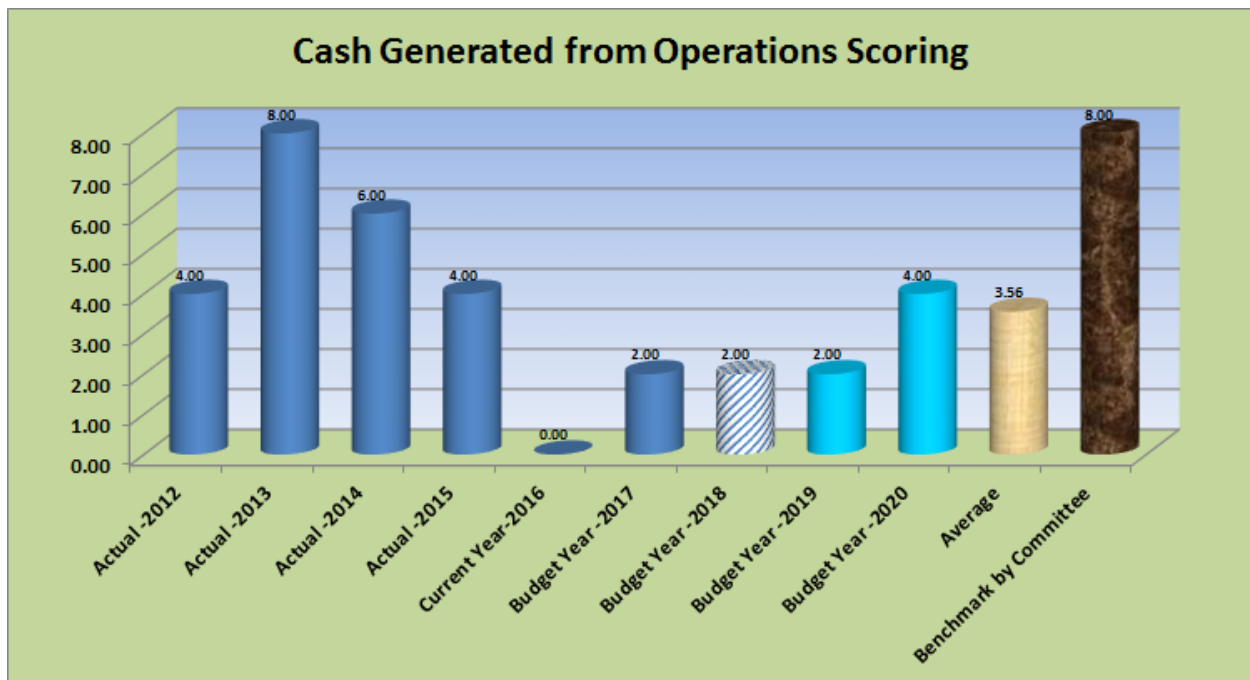
1.4.1.3 Cash Generated from Operations as % of Revenue

This indicator provides the municipality with a measure of the municipality's ability to translate the operating budget into cash. The downward trend as identified in the graph below is an indication of the inability of the municipality to pass the increases in major cost drivers to the consumer/rate payer in the form of service charges and taxes. The municipality should explore relevant areas where non-essential expenditure can be reduced in order to improve this indicator. Any improvement in this indicator will significantly contribute to the availability of cash resources for capital purposes. A ratio of 20% (Cash generated by operations vs Revenue) is deemed to be appropriate.

It is quite evident that the municipality is not generating appropriate levels of cash that will enable the municipality to contribute to the capital program of the municipality. With collection rates already established to be very good, cost cutting measures is considered the only possible short term remedy to correct this indicator.



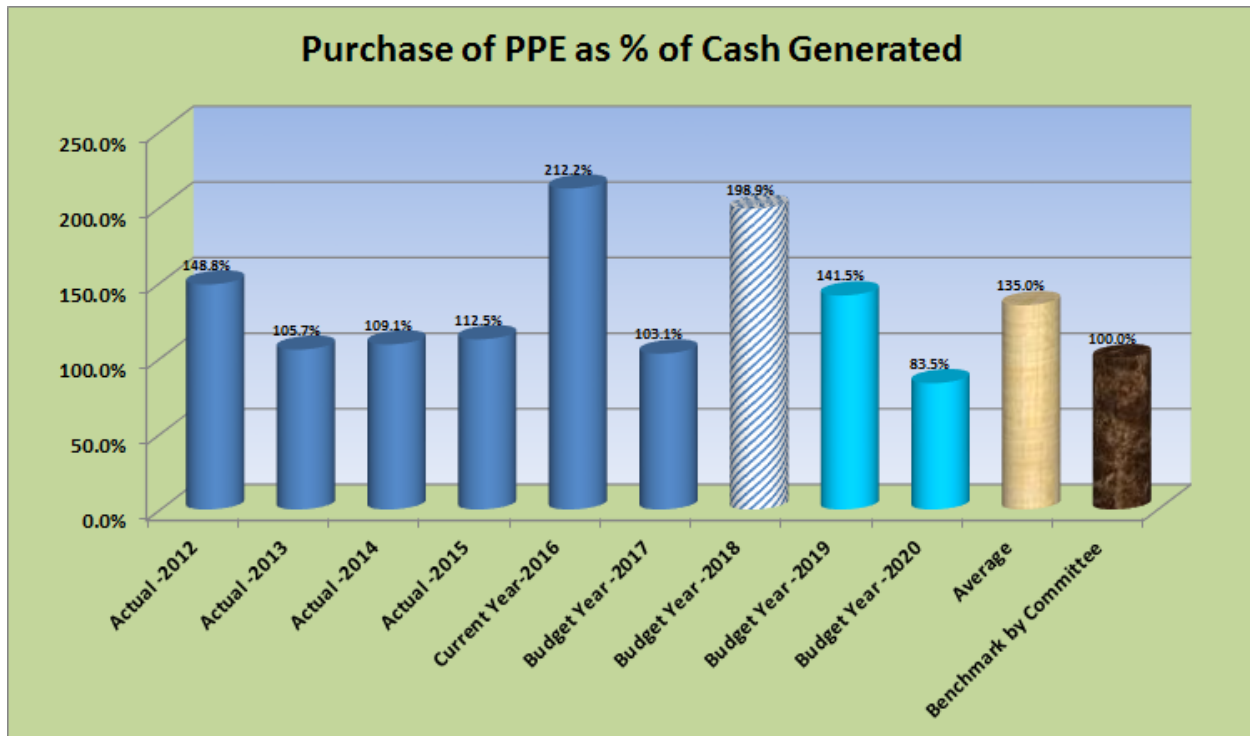
From a possible score of 8, the municipality will score limited points over the MTREF.



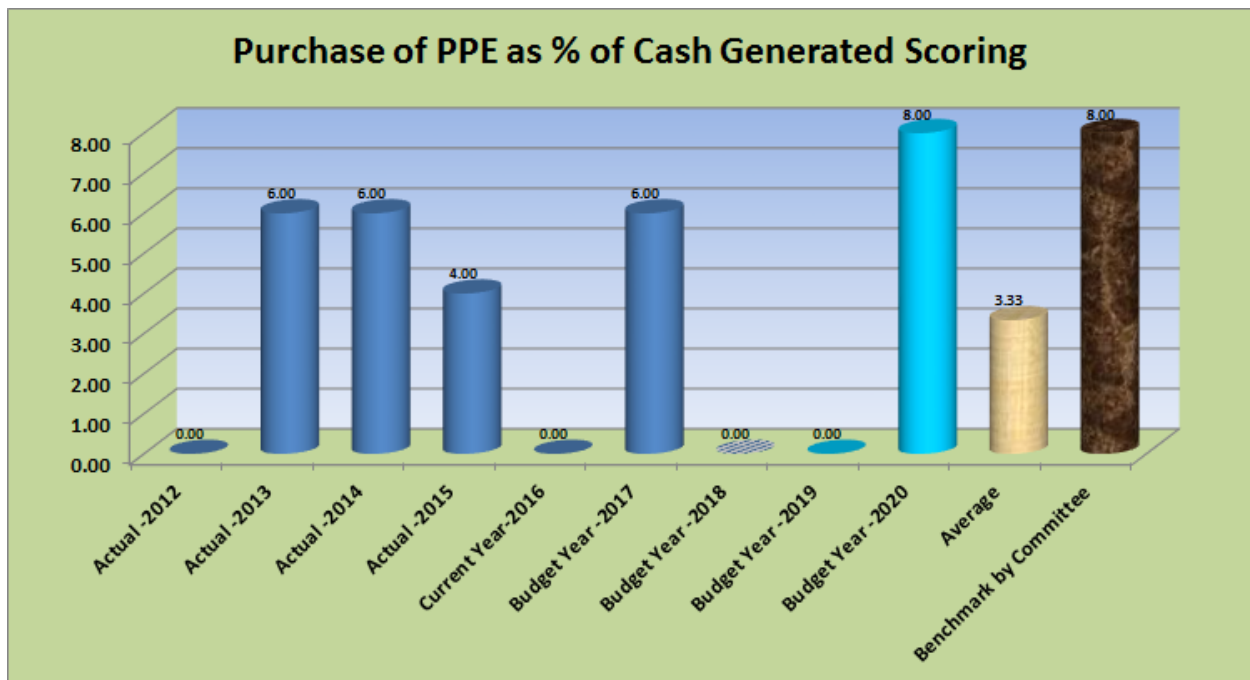
1.4.1.4 Purchase of PPE as % of Cash Generated

This indicator measures the ability of the municipality to finance the capital program from cash generated in the same financial period. Any indicator above 100% is indicative of a shortfall in cash which increases the need to utilise accumulated cash resources from prior years. Alternatively in order to preserve cash resources, the municipality will need to raise external loans. An external loan is an excellent instrument to promote the principle of “user pays” (Interest and redemption charges are factored into the cost of providing the service. Thus, the user of the specific asset will pay for the asset over the period when benefits are derived from the asset). It is also very useful to fast track much needed infrastructure projects where the municipality is not in a position to finance a specific project from own resources. The municipality should however be mindful of the affordability factor specifically relating to loans that will be discussed in more detail in section 1.4.1.7 and 1.4.1.8.

In recent years and as it is currently projected, the municipality’s capital program is always in excess of cash generated by operations, except for 2019/2020.

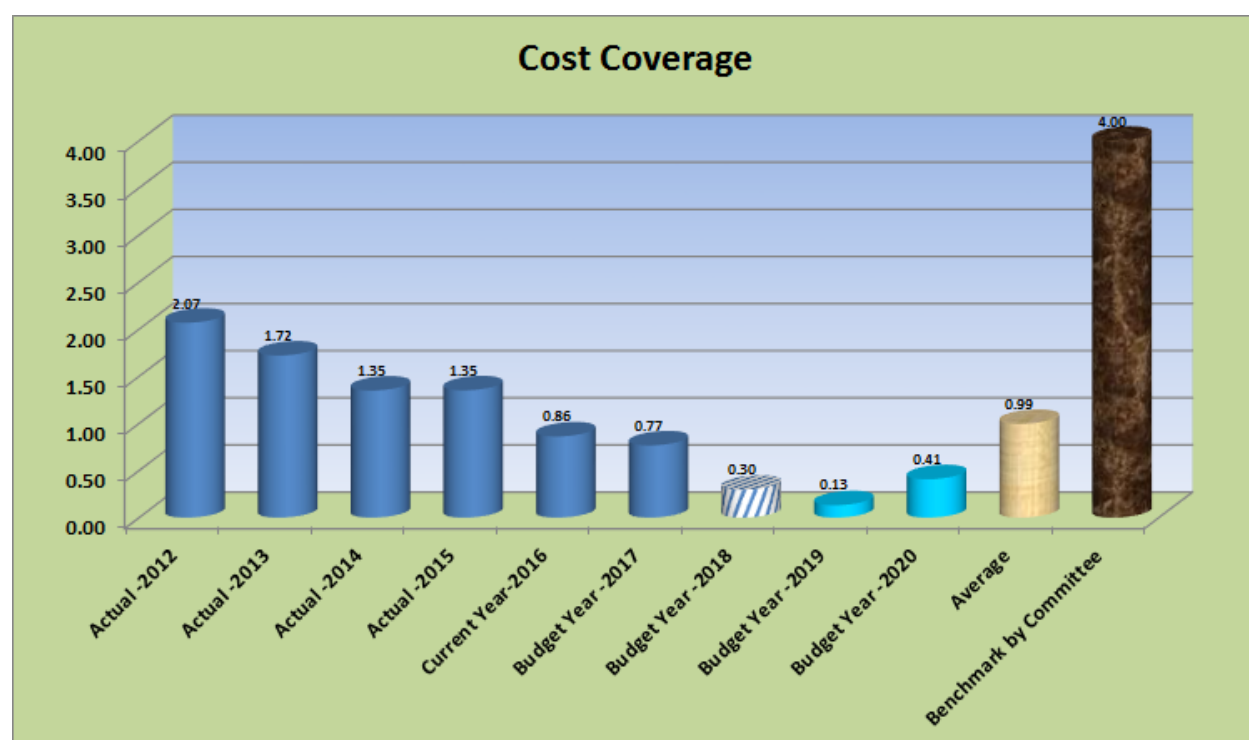


Similar to the indicator discussed in 1.4.1.3, the municipality will need to cut back on operating and/or capital expenditure to ensure that this indicator becomes more favorable than the current possible score out of 8.

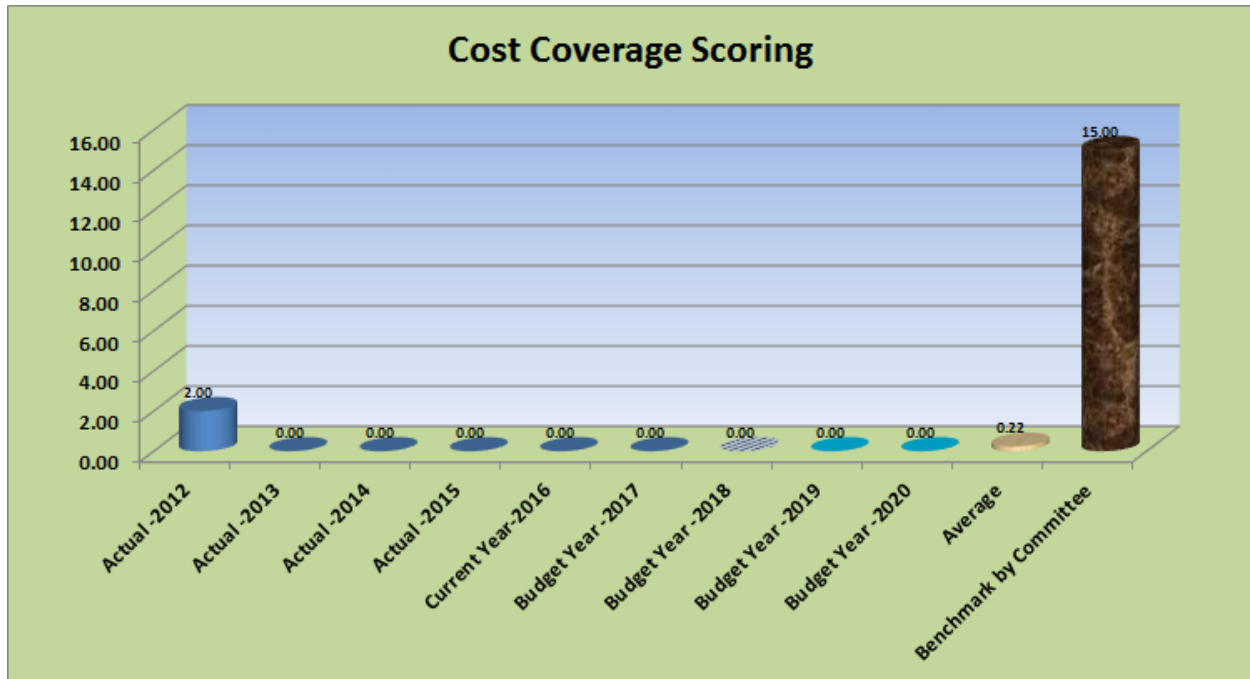


1.4.1.5 Cost Coverage

This ratio measures the amount of months' operating expenditure for which cash is available. This indicator will also provide a good indication of how the municipality will be able to react to financial "shock/setbacks" that is beyond the control of the municipality (for example - National Treasury delays the payments of grants or a sudden drop in payment levels from consumers/rate payers). The guidelines provided by National Treasury indicate that a level of 1 to 3 months is considered to be acceptable. A level of 4 months, which is in line with other municipalities that are considered to be financially sound, is considered to be an acceptable level.

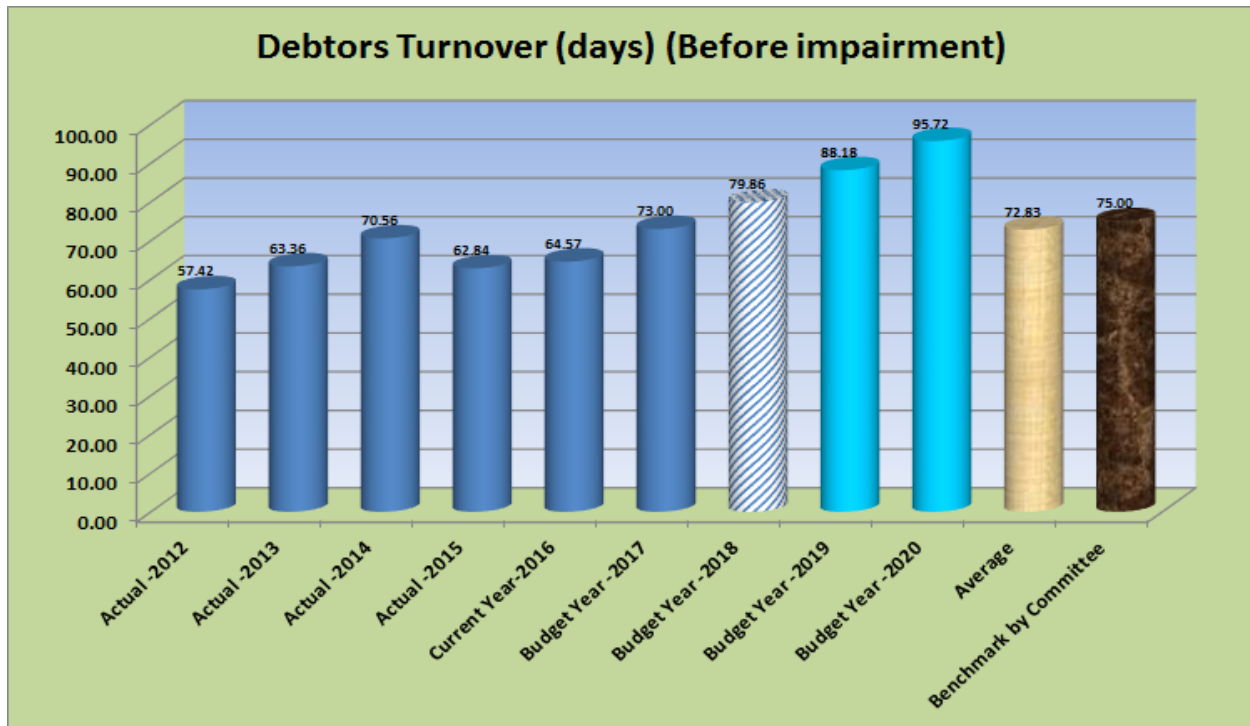


The downward trend is in line with the projected decline in cash resources and accordingly no contribution is made to the viability scoring over the MTREF. It should be noted that the cash levels of the municipality is expected to increase over the outer years of the MTREF. This increase is however not yet sufficient to ensure that the ratio will contribute to the scoring.

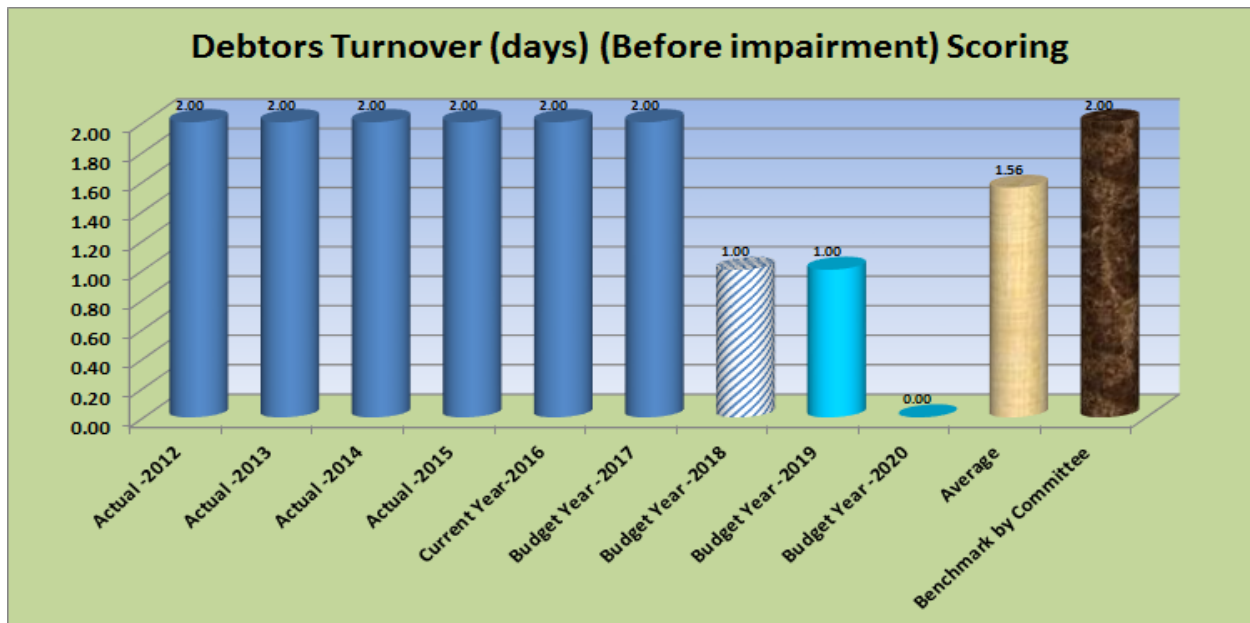


1.4.1.6 Debtor Turnover Days

In short, the indicator provides an indication of how many days it takes to convert billed revenue into cash. Thus, it is a good indicator of how credit control and debt collection measures are being implemented at the municipality. It also provides an indication of the municipality's write off policy. High standards are maintained when it comes to debt collection. The upward trend evident below can only be attributed to the municipality not writing off old irrecoverable debt. Not only does this result in a sharp increase in consumer debt, but it also contribute to significant interest charges to be levied in the statement of financial performance. Although considered to be revenue, very little interest revenue will translate into cash.



A total score of only 2 is available for this indicator.

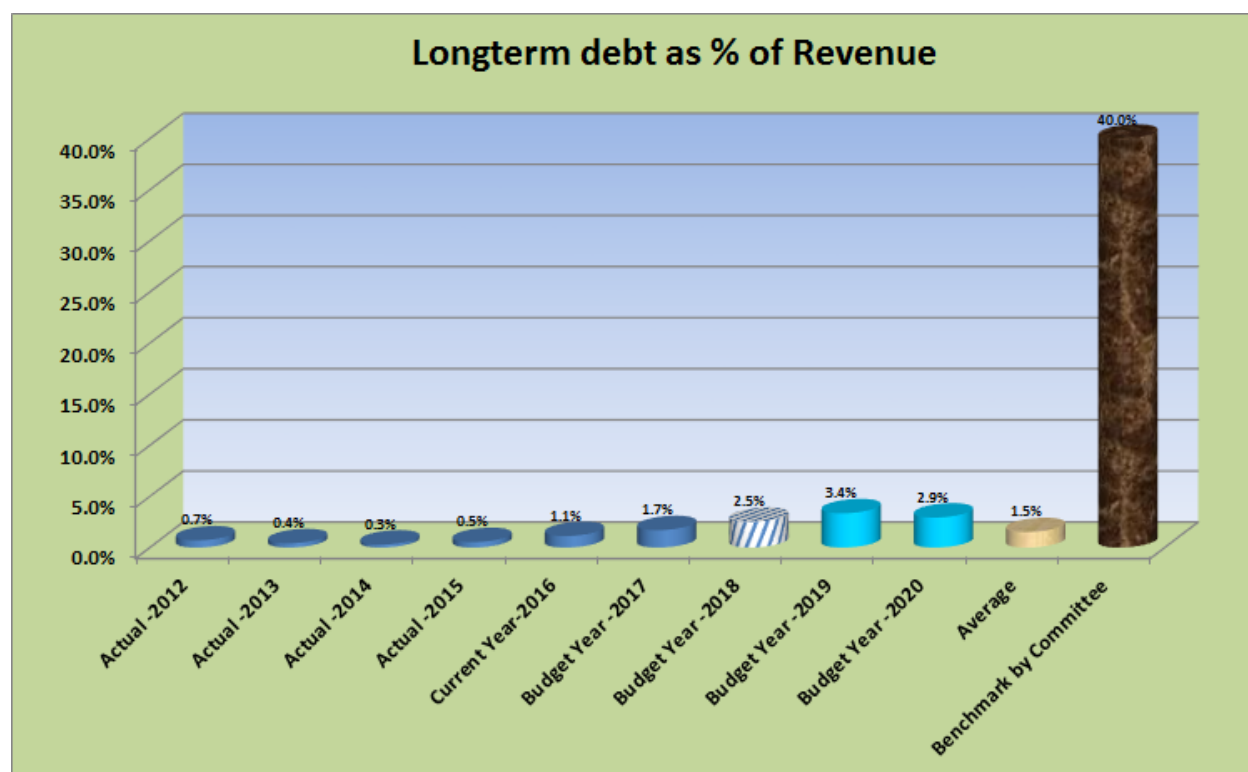


1.4.1.7 Long Term Debt as % of Revenue

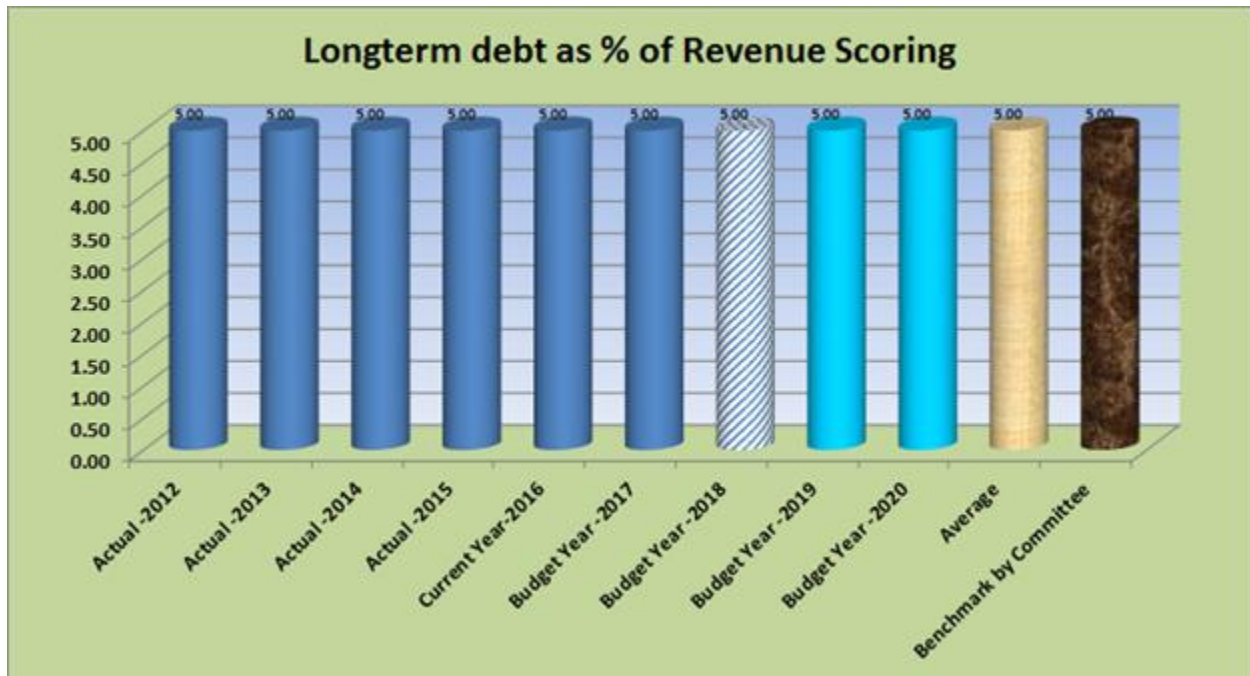
External borrowing is an important part of the funding model of the municipality. Not only does it instantly provide the municipality with relatively inexpensive capital to fast-track service delivery and infrastructure backlogs, but it also ensures that the user of the infrastructure pay for the use over the lifetime of the asset. The current capital program provides for a significant portion of the program to be financed through external financing.

This indicator provides the municipality with a debt ceiling – the maximum level of external borrowing that the municipality will be able to accommodate in the in the statement of financial position before the “affordability” factor becomes a concern.

Currently the municipality is operating well below the debt ceiling of 40%. This is an area that the municipality should definitely explore as a funding option over and above current borrowings factored into the MTREF.



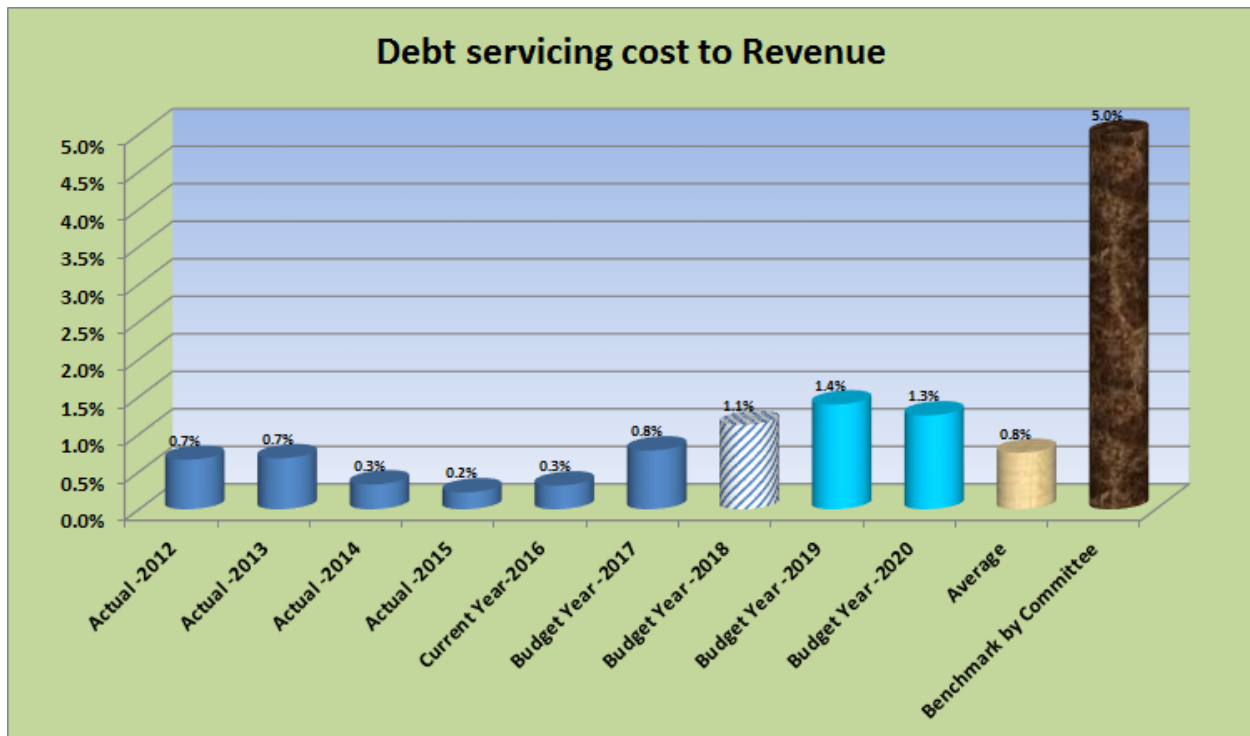
A full score is allocated to this indicator for all periods under review, although it should be noted that the municipality is not making full use of the benefits available in this area.



1.4.1.8 Debt Servicing Cost to Revenue

This indicator should be reviewed in conjunction with the debt ceiling as discussed in section 1.4.1.8 and is a measure of the ability of the operating budget to finance loan installments when they become due. A level of 5% is considered to be affordable.

Based on the fact that the municipality is operating well below the debt ceiling, the municipality is performing well on this indicator.

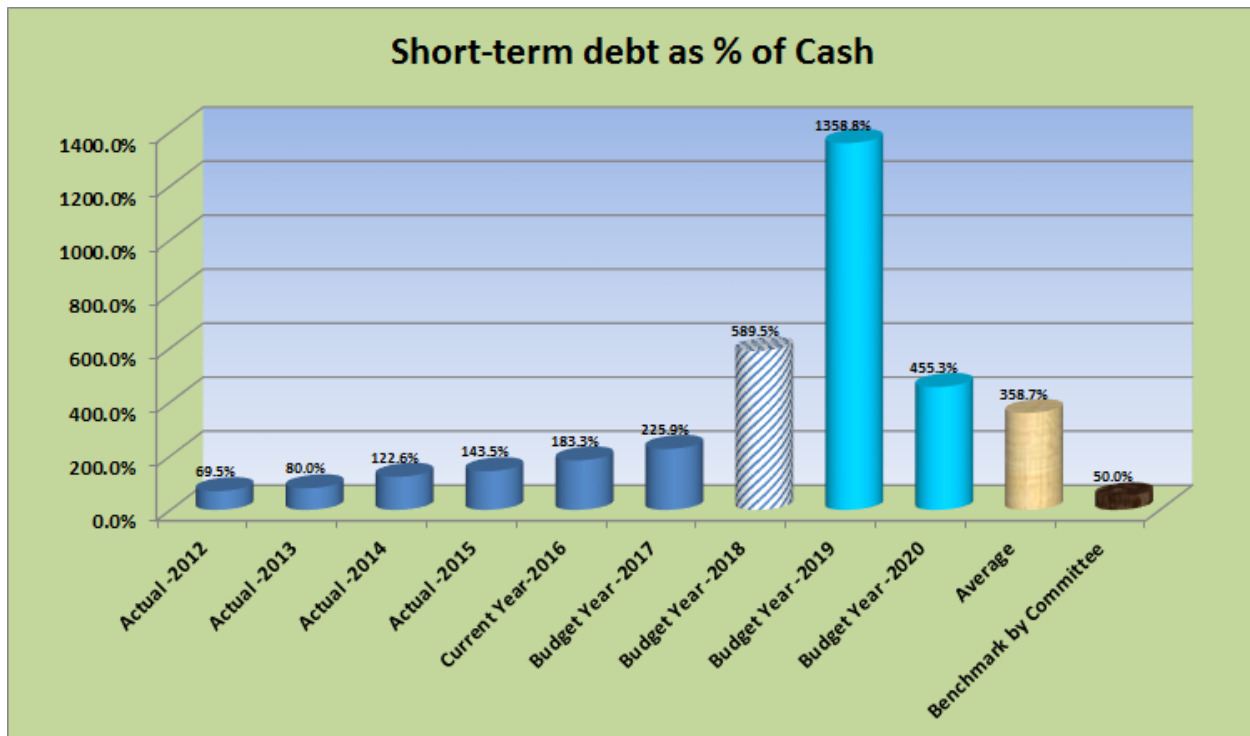


From a possible score of 8, the municipality will be allocated a full score in all periods under review.

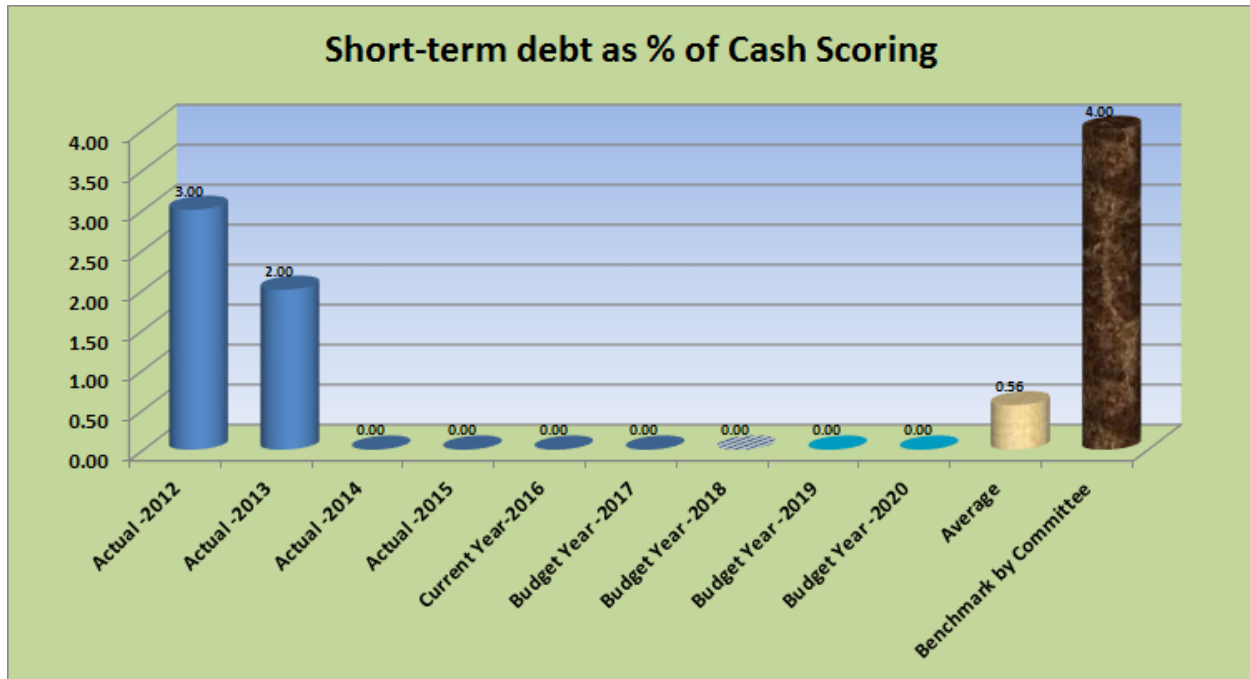


1.4.1.9 Short Term Debt as % of Cash

This indicator provides a measure of the municipality's ability to settle short term liabilities when they become due and payable. The trend below is an indication that the municipality will not be able to pay liabilities when they become due over the MTREF. A level below 50% is considered to be acceptable.



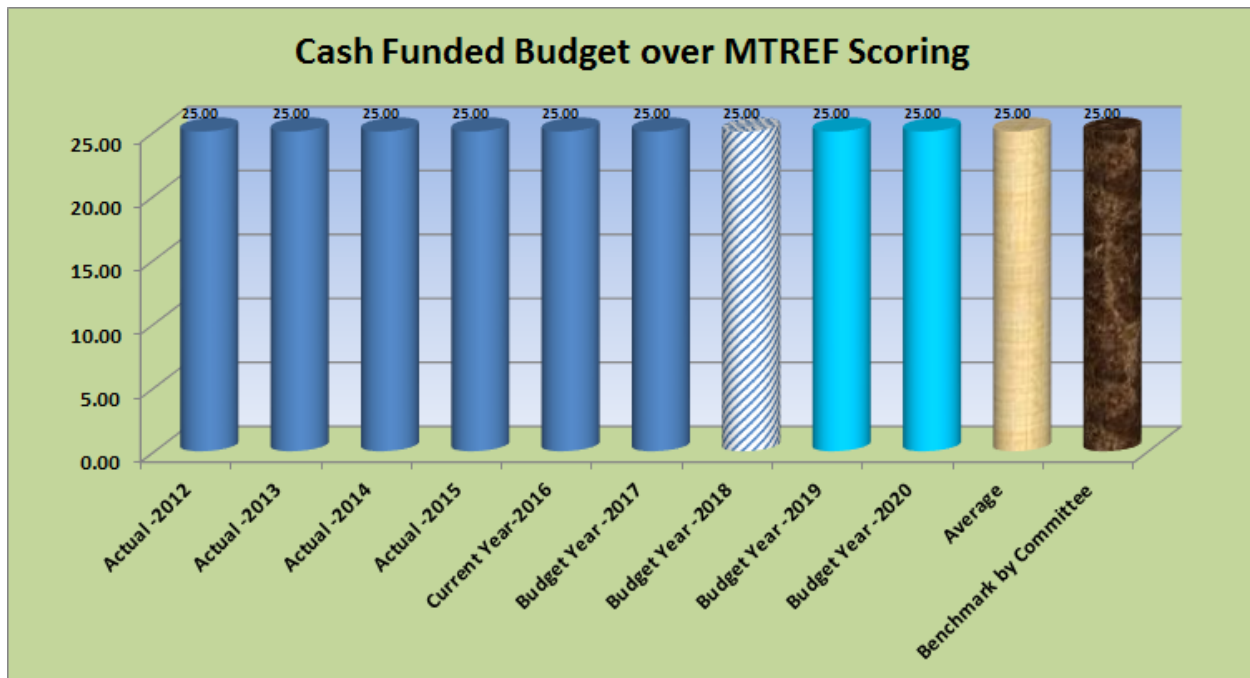
As cash resources decline and short term liabilities increase, the scoring allocated to this indicator will drop to zero.



1.4.1.10 Cash Funded Budget over the MTREF

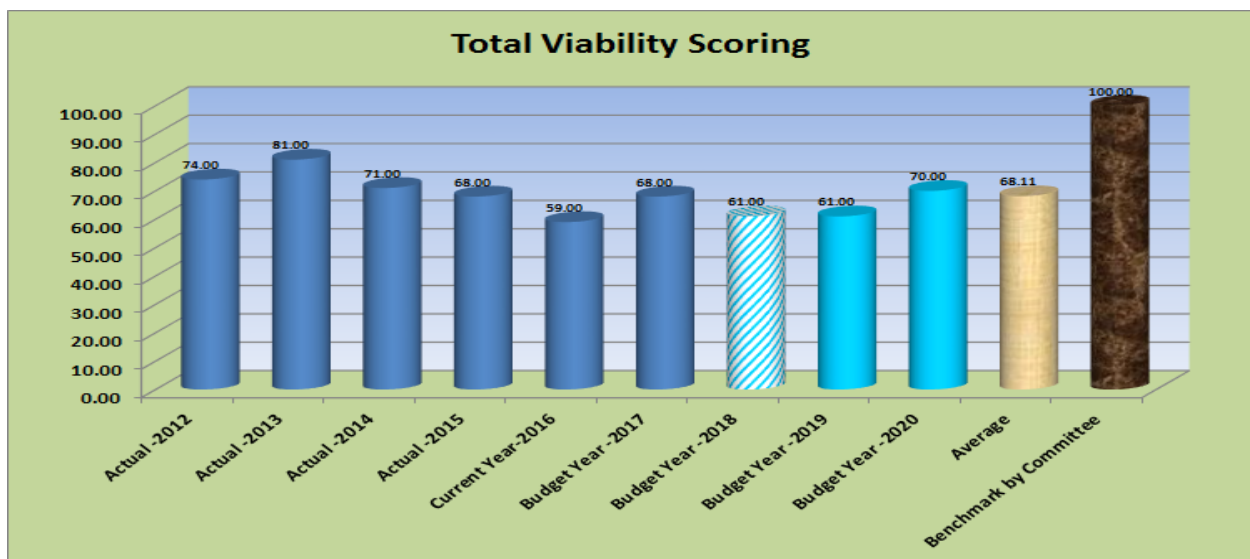
A cash funded budget is arguably the most important indicator for a credible budget that is aligned to the funding requirement in MFMA Section 18 and for this reason the indicator carries the largest weighting in the financial viability scoring model.

The entire MTREF will be cash funded.



1.4.1.11 Total Viability Scoring

Based on the outcome of the 10 indicators above, it is expected that the viability scoring will regress from 2016/17 to 2017/18 before it gradually improves over the remainder of the MTREF.



1.5 Operating Revenue Framework

Section 18 of the Municipal Finance Management Act, 2003, which deals with the funding of expenditure, states as follows:

- (1) "An annual budget may only be funded from –
- (a) Realistically anticipated revenue to be collected from the approved sources of revenue;
 - (b) Cash-backed accumulated funds from previous financial years' surpluses not committed for other purposes; and
 - (c) Borrowed funds, but only for the capital budget referred to in section 17(2).
- (2) Revenue projections in the budget must be realistic, taking into account –
- (a) projected revenue for the current year based on collection levels to date; and
 - (b) actual revenue collected in previous years."

The following table is a summary of the 2017/18 MTREF (classified by main revenue source):

Summary of revenue classified by main revenue source

Description R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Revenue By Source</u>				
Property rates	54 429	60 143	64 943	70 834
Service charges - electricity revenue	97 447	103 306	108 471	113 893
Service charges - water revenue	21 726	24 342	26 202	28 204
Service charges - sanitation revenue	7 565	9 486	10 244	11 061
Service charges - refuse revenue	13 910	15 723	16 955	18 282
Rental of facilities and equipment	2 003	2 056	2 001	2 027
Interest earned - external investments	2 050	2 060	2 215	2 381
Interest earned - outstanding debtors	876	1 496	1 627	1 775
Fines, penalties and forfeits	8 643	9 271	9 964	10 709
Licences and permits	30	61	65	69
Agency services	2 303	2 419	2 514	2 624
Transfers and subsidies	52 543	55 134	57 206	81 879
Other revenue	7 372	7 769	8 259	8 438
Gains on disposal of PPE	–	500	1 250	1 500
Total Revenue (excluding capital transfers and contributions)	270 897	293 765	311 915	353 675

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Summary of revenue classified by municipal vote

Vote Description R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote				
Vote 1 - Executive and Council	14 391	28 496	30 863	34 167
Vote 2 - Financial Services & ICT	59 846	66 723	72 724	80 354
Vote 3 - Corporate Services	4 309	—	—	—
Vote 4 - Management Services	51 953	45 214	44 845	66 178
Vote 5 - Engineering Services	51 828	166 301	176 483	191 240
Vote 6 - Electricity	99 773	—	—	—
Total Revenue by Vote	282 099	306 734	324 915	371 939

Percentage growth in revenue base by main revenue source

Description R thousand	2016/17		2017/18 Medium Term Revenue & Expenditure Framework					
	Full Year Forecast	%	Budget Year 2017/18	%	Budget Year +1 2018/19	%	Budget Year +2 2019/20	%
Revenue By Source								
Property rates	54 429	20%	60 143	20%	64 943	21%	70 834	20%
Service charges - electricity revenue	97 447	36%	103 306	35%	108 471	35%	113 893	32%
Service charges - water revenue	21 726	8%	24 342	8%	26 202	8%	28 204	8%
Service charges - sanitation revenue	7 565	3%	9 486	3%	10 244	3%	11 061	3%
Service charges - refuse revenue	13 910	5%	15 723	5%	16 955	5%	18 282	5%
Rental of facilities and equipment	2 003	1%	2 056	1%	2 001	1%	2 027	1%
Interest earned - external investments	2 050	1%	2 060	1%	2 215	1%	2 381	1%
Interest earned - outstanding debtors	876	0%	1 496	1%	1 627	1%	1 775	1%
Fines, penalties and forfeits	8 643	3%	9 271	3%	9 964	3%	10 709	3%
Licences and permits	30	0%	61	0%	65	0%	69	0%
Agency services	2 303	1%	2 419	1%	2 514	1%	2 624	1%
Transfers and subsidies	52 543	19%	55 134	19%	57 206	18%	81 879	23%
Other revenue	7 372	3%	7 769	3%	8 259	3%	8 438	2%
Gains on disposal of PPE	—	0%	500	0%	1 250	0%	1 500	0%
Total Revenue (excluding capital transfers and contributions)	270 897	100%	293 765	100%	311 915	100%	353 675	100%
Total from Services and Rates	195 078	72%	213 000	73%	226 814	73%	242 274	69%

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise between 69 and 73 percent of the total revenue mix.

The municipality remains highly dependent on internal revenue sources to fund the budget, with transfers and grants only contributing between 18% and 23% to the operating revenue basket. Approximately 9% of the revenue basket can be attributed to equitable share.

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Operating Transfers and Grant Receipts

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
EXPENDITURE:				
<u>Operating expenditure of Transfers and Grants</u>				
National Government:	27 297	27 881	29 976	32 991
Local Government Equitable Share	23 075	25 190	27 645	29 808
Energy Efficiency and Demand-side [Schedule 5B]	500	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 210	1 131	–	–
Local Government Financial Management Grant [Schedule 5B]	762	–	1 092	1 500
Municipal Infrastructure Grant [Schedule 5B]	1 750	1 560	1 239	1 183
Municipal Systems Improvement Grant [Schedule 5B]	–	–	–	500
Provincial Government:	24 305	27 253	27 230	48 888
Human Settlement Development	18 100	20 450	20 000	40 100
Library Service Conditional Grant	4 807	5 423	5 814	6 152
Maintenance of Main Roads	158	84	–	–
Community Development Workers	56	56	56	56
Financial Management Support (WC_FMGSG)	1 118	240	360	480
Greenest Municipality (Violence Protection)	–	1 000	1 000	2 000
Thusong Centre	66	–	–	100
Other grant providers:	941	–	–	–
<i>National Skills Fund</i>	941	–	–	–
Total operating expenditure of Transfers and Grants:	52 543	55 134	57 206	81 879

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6.4 per cent, which is the current inflation rate.

The municipality budgets for the non-payment of accounts based on past experience of recovery rates. The municipality applies its Credit Control Policy stringently but there are always situations where there are defaults on payment. A recovery rate of approximately 96.4% is factored into the MTREF period.

1.5.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

An increase of 4 per cent in the Property Rates tariff is proposed for 2017/18. This increase does not take in to account the general increase in valuations of 7.49% being implemented on 1 July 2017.

1.5.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure cost reflective tariffs are achieved.

An average tariff increase of 10.6 per cent is proposed for all users. This increase is above the 6.4 per cent inflation rate.

The following projections are applicable to the water service:

Water	2016/2017 Forecast	2017/2018 Original	2018/2019 Original	2019/2020 Original
Revenue	23 928 900	26 676 470	28 676 800	30 827 200
Expenditure	-15 021 579	-16 833 649	-17 500 829	-18 411 841
Surplus/Deficit	8 907 321	9 842 821	11 175 971	12 415 359
Profit %	37.22%	36.90%	38.97%	40.27%

Compared to the revenue and expenditure per function in Schedule A2, it should be noted that the revenue figures above does not include indigent rebates financed from equitable share (refer to Schedule SA1) as well as any capital grant revenue (if any). Expenditure only relates to operating expenditure. The following items were excluded:

Type	2016/2017 Forecast	2017/2018 Budget	2018/2019 Budget	2019/2020 Budget
Water Rebates	2 200 000.00	2 332 000.00	2 471 900.00	2 620 200.00

Although this service is running at a profit from an operating perspective in isolation, the following should also be taken into account when coming to a final conclusion with regards to the service provided:

- The increase in the tariff is aligned to the Long Term financial plan of the municipality. It is imperative that the service generates a surplus not only to provide the required funding needed for capital purposes, but also to increase the cash reserves of the municipality that will ensure that the basic services are provided on a sustainable manner.
- The service should be reviewed in conjunction with the provision of Sewerage and Sanitation Services. It is estimated that 70% of all water consumption eventually filters through into the sewerage systems of the municipality. In order to ensure that the level of services in the municipal area are maintained from a sewerage point of view, it is only considered fair that the large water consumers contribute to the needs of the Sewerage Infrastructure requirements of the municipality. The sewerage service is currently not providing sufficient fund to meet all infrastructure requirements.

Full details regarding the tariffs are included as Appendix A to this document.

1.5.3 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure. A 2.2 per cent (nominal) increase (which is significantly lower than the original 8% Multi Year Price Determination as a result of higher increases approved in preceding years) in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2017.

An average 2.9 per cent increase is proposed in electricity tariffs. This increase is required to curb the downward trend experienced as a result of large bulk tariff increases experienced in recent years.

Electricity	2016/2017 Forecast	2017/2018 Original	2018/2019 Original	2019/2020 Original
Revenue	98 161 393	103 525 054	108 701 400	114 136 500
Expenditure	-86 253 783	-88 084 910	-92 566 019	-97 277 870
Surplus/Deficit	11 907 610	15 440 144	16 135 381	16 858 630
Profit %	12.13%	14.91%	14.84%	14.77%

Compared to the revenue and expenditure per function in Schedule A2, it should be noted that the revenue figures above does not include indigent rebates financed from equitable share (refer to Schedule SA1) as well as any capital grant revenue (if any). Expenditure only relates to operating expenditure. The following items were excluded:

Type	2016/2017 Forecast	2017/2018 Budget	2018/2019 Budget	2019/2020 Budget
Electricity Rebates	82 000.00	86 900.00	92 100.00	97 600.00
Capital Grant Revenue	1 611 665.00	1 000 000.00	2 285 000.00	7 000 000.00
Total	1 693 665.00	1 086 900.00	2 377 100.00	7 097 600.00

Full details regarding the tariffs are included as Appendix A to this document.

1.5.4 Sanitation and Impact of Tariff Increases

An average tariff increase of 9.78 per cent for sanitation from 1 July 2017 is proposed. This increase was required to ensure that the tariff charged is more cost reflective and that the service adequately makes provision to the required infrastructure needs of the municipality.

Waste Water Management	2016/2017 Forecast	2017/2018 Original	2018/2019 Original	2019/2020 Original
Revenue	10 486 700	12 581 935	13 524 000	14 536 700
Expenditure	-9 617 681	-10 311 376	-10 776 330	-11 269 612
Surplus/Deficit	869 019	2 270 559	2 747 670	3 267 088
Profit %	8.29%	18.05%	20.32%	22.47%

Compared to the revenue and expenditure per function in Schedule A2, it should be noted that the revenue figures above does not include indigent rebates financed from equitable share (refer to Schedule SA1) as well as any capital grant revenue (if any). Expenditure only relates to operating expenditure. The following items were excluded:

Type	2016/2017 Forecast	2017/2018 Budget	2018/2019 Budget	2019/2020 Budget
Sewerage Rebates	2 900 000.00	3 074 000.00	3 258 400.00	3 453 900.00

1.5.5 Waste Removal and Impact of Tariff Increases

An average tariff increase of 9.67 per cent for refuse removal services from 1 July 2017 is proposed. This increase was required to ensure that the tariff charged is more cost reflective. This increase is above the 6.4 per cent inflation rate. This increase is required due to the fact that the service is currently operated at a small loss, while there are also significant rehabilitation provisions included in the Statement of Financial Performance that are currently unfunded. It should also be noted that there is a need for a new dumping facility in the near future that will attract significant costs to establish.

Waste Management	2016/2017 Forecast	2017/2018 Original	2018/2019 Original	2019/2020 Original
Revenue	17 412 113	19 435 345	20 889 600	22 452 900
Expenditure	-17 629 079	-19 067 094	-19 844 282	-20 666 374
Surplus/Deficit	-216 966	368 251	1 045 318	1 786 526
Profit %	-1.25%	1.89%	5.00%	7.96%

Compared to the revenue and expenditure per function in Schedule A2, it should be noted that the revenue figures above does not include indigent rebates financed from equitable share (refer to Schedule SA1) as well as any capital grant revenue (if any). Expenditure only relates to operating expenditure. The following items were excluded:

Type	2016/2017 Forecast	2017/2018 Budget	2018/2019 Budget	2019/2020 Budget
Refuse Rebates	3 501 900.00	3 712 000.00	3 934 700.00	4 170 800.00

1.5.6 Overall impact of tariff increases on households

Information on the impact on households can be illustrated below.

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework			
	Full Year Forecast	Budget Year 2017/18 % incr.	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Rand/cent					
<u>Monthly Account for Household - 'Middle Income Range'</u>					
Rates and services charges:					
Property rates	536.91	4.0%	558.41	600.29	645.31
Electricity: Basic levy	233.56	2.8%	240.00	258.00	277.35
Electricity: Consumption	1 426.50	3.0%	1 469.30	1 579.50	1 697.96
Water: Basic levy	104.24	10.3%	115.00	123.63	132.90
Water: Consumption	148.78	9.6%	163.10	175.33	188.48
Sanitation	104.50	9.6%	114.50	123.09	132.32
Refuse removal	114.50	9.6%	125.50	134.91	145.03
sub-total	2 668.99	–	2 785.81	2 994.75	3 219.35
VAT on Services	298.49	4.5%	311.84	335.22	360.37
Total large household bill:	2 967.48	–	3 097.65	3 329.97	3 579.72
% increase/-decrease	–		4.4%	7.5%	7.5%
<u>Monthly Account for Household - 'Affordable Range'</u>					
Rates and services charges:					
Property rates	264.37	4.0%	274.95	295.57	317.74
Electricity: Basic levy	233.56	2.8%	240.00	258.00	277.35
Electricity: Consumption	572.00	3.0%	589.16	633.35	680.85
Water: Basic levy	104.24	10.3%	115.00	123.63	132.90
Water: Consumption	117.23	9.6%	128.46	138.09	148.45
Sanitation	104.50	9.6%	114.50	123.09	132.32
Refuse removal	114.50	9.6%	125.50	134.91	145.03
sub-total	1 510.40	–	1 587.57	1 706.64	1 834.64
VAT on Services	174.44	5.3%	183.77	197.55	212.37
Total small household bill:	1 684.84	–	1 771.34	1 904.19	2 047.00
% increase/-decrease	–		5.1%	7.5%	7.5%
<u>Monthly Account for Household - 'Indigent' Household receiving free basic services</u>					
Rates and services charges:					
Property rates	22.35	4.0%	23.24	24.98	26.86
Water: Basic levy	20.85	10.3%	23.00	24.73	26.58
Sanitation	20.84	9.9%	22.90	24.62	26.46
Refuse removal	22.88	9.7%	25.10	26.98	29.01
sub-total	86.92	–	94.24	101.31	108.91
VAT on Services	9.04	10.0%	9.94	10.69	11.49
Total small household bill:	95.96	–	104.18	111.99	120.39
% increase/-decrease	–		8.6%	7.5%	7.5%

1.6 Operating Expenditure Framework

Municipalities are still urged to implement the cost containment measures on six focus areas namely, consultancy fees, no credit cards, travel and related costs, advertising, catering, events costs and accommodation. With the implementation of cost containment measures, municipalities must control unnecessary spending on nice-to-have items and non-essential and non-priority activities.

The following table is a high level summary of the 2017/18 budget and MTREF (classified per main type of operating expenditure):

Table 1 Summary of operating expenditure by standard classification item

Description R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Expenditure By Type				
Employee related costs	103 603	117 179	124 122	132 096
Remuneration of councillors	4 786	5 145	5 531	5 945
Debt impairment	7 400	7 833	8 412	8 961
Depreciation & asset impairment	10 888	11 440	11 590	11 747
Finance charges	8 527	8 964	9 212	9 487
Bulk purchases	75 021	76 678	80 512	84 538
Other materials	36 799	39 250	39 192	60 244
Contracted services	17 804	18 208	17 435	17 474
Transfers and subsidies	2 339	2 763	2 685	2 760
Other expenditure	20 750	21 461	22 471	23 677
Total Expenditure	287 917	308 922	321 162	356 928

The budgeted allocation for employee related costs for the 2017/18 financial year totals R117.179 million, which equals 37.93 per cent of the total operating expenditure. This percentage is set to remain very constant over the two outer years of the MTREF at 38.6 per cent and 37.0 per cent respectively. However, before the municipality reaches any conclusions with regards to levels of employee related costs of the municipality, the municipality should assess the impact of any items that could distort these figures. The municipality should for example exclude any material conditional grant expenditure that can fluctuate significantly year-on year (such as the effect that the significant housing allocation in 2019/20 will have on the ratio).

The increase in Employee Related Costs takes into account the multi-year Salary and Wage Collective Agreement for the period 01 July 2015 to 30 June 2018. The agreement reached is as follows:

- 2015/16 Financial Year – 7 per cent
- 2016/17 Financial Year – average CPI (Feb 2015 – Jan 2016) + 1 per cent
- 2017/18 Financial Year – average CPI (Feb 2016 – Jan 2017) + 1 per cent

Furthermore, the Employee Related Costs also incorporates a notch increase in terms of TASK which equates to 2.4 per cent.

The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 97.4 per cent and the Debt Write-off Policy of the Municipality. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption.

Bulk purchases are largely informed by the purchase of electricity from Eskom, which amounted to 2.2%. Although the municipality is not in control of the increase in the cost of bulk purchases, the municipality could still implement measures to reduce distribution losses as well as internal consumption.

Other materials consist out of all items that are accounted for using inventory accounts in the mSCOA structure. The following items are included in Other Materials:

Type	2016/17 Forecast	2017/18 Budget	2018/19 Budget	2019/20 Budget
Animal Welfare Materials	40 000.00	54 600.00	60 000.00	63 000.00
Chemicals	2 340 000.00	2 480 000.00	2 604 000.00	2 734 200.00
Cleaning Materials	281 980.00	306 090.00	296 555.00	310 928.00
Electricity Connections	176 000.00	186 740.00	196 100.00	205 900.00
First Aid Equipment	27 500.00	11 900.00	12 400.00	13 150.00
Fuel	2 732 700.00	2 799 380.00	2 953 350.00	3 086 180.00
Gas Consumed	45 900.00	47 960.00	50 400.00	53 000.00
Housing Stock	18 100 000.00	20 450 000.00	20 000 000.00	40 100 000.00
Maintenance Materials	11 471 900.00	11 318 443.00	11 361 365.00	11 947 584.00
Oil and Lubricants	69 650.00	72 650.00	76 230.00	79 750.00
Printing Consumables	102 500.00	100 400.00	101 600.00	105 500.00
Refreshments	113 400.00	117 350.00	122 565.00	128 113.00
Refuse Bags	591 000.00	550 500.00	578 000.00	606 900.00
Sewerage Connections	15 000.00	5 000.00	5 300.00	5 600.00
Small Tools	62 500.00	52 200.00	54 800.00	57 500.00
Stationery Consumed	586 676.00	664 500.00	685 218.00	711 052.00
Sundry Consumables	32 300.00	22 400.00	23 500.00	24 700.00
Water Connections	10 000.00	10 000.00	10 500.00	11 000.00
Total Other Materials	36 799 006.00	39 250 113.00	39 191 883.00	60 244 057.00

Contracted services consist of the following and are linked to the delivery of primary services. The classification of Contracted Services were largely influenced by the mSCOA chart of accounts.

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
<u>Contracted services</u>				
<i>Accounting and Auditing</i>	1 103	240	1 095	1 215
<i>Audit Committee</i>	134	135	140	146
<i>Burial Services</i>	63	56	58	61
<i>Business and Financial Management</i>	1 458	2 220	1 427	1 437
<i>Catering Services</i>	60	60	60	60
<i>Cleaning Services</i>	1	1	1	1
<i>Clearing and Grass Cutting Services</i>	30	25	26	28
<i>Commissions and Committees</i>	417	391	411	427
<i>Communications</i>	150	150	150	150
<i>Contractors_Building</i>	300	1 000	1 800	–
<i>Contractors_Electrical</i>	500	–	–	–
<i>Drivers Licence Cards</i>	170	170	170	170
<i>Employee Wellness</i>	150	80	84	88
<i>Engineering_Civil</i>	1 200	2 100	1 480	1 554
<i>Event Promoters</i>	10	1 010	1 011	2 011
<i>Fire Services</i>	–	750	1 200	1 200
<i>Gardening Services</i>	57	47	48	49
<i>Haulage</i>	2 030	2 725	2 861	3 004
<i>Human Resources</i>	900	120	127	134
<i>Legal Advice and Litigation</i>	915	895	962	979
<i>Legal Cost_Collection</i>	180	180	230	230
<i>Maintenance of Unspecified Assets</i>	220	200	210	221
<i>Medical Examinations</i>	1	3	3	3
<i>Occupational Health and Safety</i>	54	56	59	62
<i>Organisational</i>	20	–	–	–
<i>Personnel and Labour</i>	2 700	1 467	361	388
<i>Photographer</i>	4	3	3	4
<i>Removal of Structures and Illegal Signs</i>	10	35	37	39
<i>Research and Advisory</i>	355	1 053	548	1 062
<i>Security Services</i>	806	876	923	972
<i>Town Planner</i>	1 651	1 150	800	550
<i>Traffic Fines Management</i>	600	500	550	600
<i>Valuer</i>	1 555	510	600	630
Total contracted services	17 804	18 208	17 435	17 474

Other expenditure comprises of various line items relating to the daily operations of the municipality (including repairs and maintenance as well as operating grant expenditure). These items should be reviewed by the municipality to ensure that all non-priority expenditure is eliminated.

1.6.1 Priority given to repairs and maintenance

National Treasury observed that budget appropriations for asset renewal as part of the capital programme and operational repairs and maintenance of existing asset infrastructure is still not receiving adequate priority by municipalities, regardless of guidance supplied in previous Budget Circulars. Asset management is a strategic imperative for any municipality and needs to be prioritised as a spending objective in the budget of municipalities.

For the 2017/18 budgets and MTREF's, municipalities must ensure they prioritise asset management and take into consideration the following:

- 1) 40 per cent of its 2017/18 to 2019/20 Capital Budget should be allocated to the renewal/upgrade of existing assets it.
- 2) Operational repairs and maintenance should not be less than 8 per cent of the asset value (write down value) of the municipality's Property Plant and Equipment (PPE) and / or 6 percent for the 2017/18 aligned with the Long Term Financial Plan approve during December 2015.

The municipality have made great strides to achieve both these benchmarks. A large contributing factor to reaching the required levels of repairs and maintenance can be attributed to the costing system of the municipality where employee related and other costs directly related to repairs and maintenance projects now accurately being allocated to this line item as follows:

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
Repairs and Maintenance by Expenditure Item				
Employee related costs	10 032	38 710	41 029	43 524
Other materials	13 340	13 591	13 823	14 532
Contracted Services	475	290	305	320
Other Expenditure	3 463	4 102	4 224	4 508
Total Repairs and Maintenance Expenditure	27 310	56 693	59 381	62 884

Table 2 Repairs and maintenance per asset class

Description R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Repairs and Maintenance by Asset Class</u>	27 310	56 693	59 381	62 884
<i>Roads Infrastructure</i>	3 634	10 970	11 635	12 344
<i>Electrical Infrastructure</i>	1 429	7 650	8 067	8 510
<i>Water Supply Infrastructure</i>	1 975	9 219	9 742	10 299
<i>Sanitation Infrastructure</i>	2 010	6 424	6 769	7 136
<i>Solid Waste Infrastructure</i>	1 234	1 918	2 026	2 140
Infrastructure	10 282	36 180	38 238	40 429
Community Facilities	4 111	4 377	4 652	4 957
Sport and Recreation Facilities	1 792	4 240	4 499	4 767
Community Assets	5 903	8 616	9 151	9 724
Operational Buildings	4 184	4 511	4 407	4 672
Other Assets	4 184	4 511	4 407	4 672
Licences and Rights	2 660	3 128	3 206	3 432
Intangible Assets	2 660	3 128	3 206	3 432
Computer Equipment	90	68	72	75
Furniture and Office Equipment	165	91	95	100
Machinery and Equipment	674	620	572	601
Transport Assets	3 351	3 478	3 640	3 850
TOTAL EXPENDITURE OTHER ITEMS	38 197	68 132	70 971	74 631
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	68.4%	65.4%	49.9%	34.7%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>	152.5%	158.1%	127.9%	86.3%
<i>R&M as a % of PPE</i>	7.3%	14.5%	14.5%	14.8%
<i>Renewal and upgrading and R&M as a % of PPE</i>	11.0%	17.0%	16.0%	16.0%

1.6.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table A10 (Basic Service Delivery Measurement).

The cost of the social package of the registered indigent households is financed by the municipality self and largely by utilising the municipality's unconditional equitable share grant, allocated in terms of the Constitution to local government, and received in terms of the annual Division of Revenue Act. The cost associated with indigent subsidies amounts to R10.315 million in 2017/18 and increases to R 10.923 million and R11.566 million in the 2 outer years respectively. These figures do not include the 50 kWh electricity provided to indigents.

1.7 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 3 2017/18 Medium-term capital budget per vote

Vote Description R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Capital expenditure - Vote</u>				
<u>Multi-year expenditure to be appropriated</u>				
Vote 3 - Corporate Services	30	—	—	—
Vote 4 - Management Services	—	650	1 770	640
Vote 5 - Engineering Services	4 118	650	1 350	900
Vote 6 - Electricity	200	—	—	—
Capital multi-year expenditure sub-total	4 348	1 300	3 120	1 540
<u>Single-year expenditure to be appropriated</u>				
Vote 1 - Executive and Council	73	855	38	—
Vote 2 - Financial Services & ICT	369	2 505	1 220	878
Vote 3 - Corporate Services	2 303	—	—	—
Vote 4 - Management Services	3 932	2 964	3 682	1 812
Vote 5 - Engineering Services	9 802	20 042	21 622	24 974
Vote 6 - Electricity	3 424	—	—	—
Capital single-year expenditure sub-total	19 904	26 365	26 562	27 663
Total Capital Expenditure - Vote	24 252	27 665	29 682	29 203

The following table provides more information on the breakdown of the capital budget.

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
CAPITAL EXPENDITURE				
<u>Total New Assets</u>	7 654	9 579	14 862	19 071
<i>Roads Infrastructure</i>	200	200	200	200
<i>Storm water Infrastructure</i>	–	5 384	8 558	9 251
<i>Electrical Infrastructure</i>	1 712	1 100	2 385	7 000
<i>Water Supply Infrastructure</i>	2 377	–	–	–
<i>Sanitation Infrastructure</i>	–	–	–	1 000
Infrastructure	4 289	6 684	11 143	17 451
Community Facilities	954	770	270	150
Sport and Recreation Facilities	–	784	1 250	500
Community Assets	954	1 554	1 520	650
Operational Buildings	150	95	95	–
Other Assets	150	95	95	–
Licences and Rights	7	8	–	–
Intangible Assets	7	8	–	–
Computer Equipment	1 111	213	462	595
Furniture and Office Equipment	454	166	44	45
Machinery and Equipment	490	459	348	330
Transport Assets	200	400	1 250	–
<u>Total Renewal of Existing Assets</u>	4 460	6 215	4 247	4 140
<i>Roads Infrastructure</i>	750	200	1 100	1 100
<i>Water Supply Infrastructure</i>	915	2 060	1 350	950
<i>Sanitation Infrastructure</i>	1 580	877	–	263
Infrastructure	3 244	3 137	2 450	2 313
Community Facilities	–	350	–	–
Community Assets	–	350	–	–
Operational Buildings	400	–	–	–
Other Assets	400	–	–	–
Computer Equipment	114	134	168	180
Furniture and Office Equipment	198	193	157	120
Machinery and Equipment	503	2 152	847	27
Transport Assets	–	250	625	1 500

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
<u>Total Upgrading of Existing Assets</u>	12 139	11 870	10 574	5 993
<i>Roads Infrastructure</i>	6 585	5 613	4 650	3 700
<i>Storm water Infrastructure</i>	700	500	650	650
<i>Electrical Infrastructure</i>	1 829	1 311	1 358	–
<i>Water Supply Infrastructure</i>	469	100	–	–
<i>Solid Waste Infrastructure</i>	–	350	–	–
Infrastructure	9 583	7 873	6 658	4 350
Community Facilities	1 772	289	2 330	1 100
Sport and Recreation Facilities	50	1 355	970	440
Community Assets	1 822	1 644	3 300	1 540
Operational Buildings	–	45	–	–
Other Assets	–	45	–	–
Licences and Rights	140	1 176	–	–
Intangible Assets	140	1 176	–	–
Computer Equipment	274	957	521	103
Furniture and Office Equipment	92	60	55	–
Machinery and Equipment	228	115	40	–
<u>Total Capital Expenditure</u>				
<i>Roads Infrastructure</i>	7 535	6 013	5 950	5 000
<i>Storm water Infrastructure</i>	700	5 884	9 208	9 901
<i>Electrical Infrastructure</i>	3 541	2 411	3 743	7 000
<i>Water Supply Infrastructure</i>	3 761	2 160	1 350	950
<i>Sanitation Infrastructure</i>	1 580	877	–	1 263
<i>Solid Waste Infrastructure</i>	–	350	–	–
Infrastructure	17 116	17 695	20 250	24 114
Community Facilities	2 726	1 409	2 600	1 250
Sport and Recreation Facilities	50	2 139	2 220	940
Community Assets	2 776	3 548	4 820	2 190
Operational Buildings	550	140	95	–
Other Assets	550	140	95	–
Licences and Rights	147	1 184	–	–
Intangible Assets	147	1 184	–	–
Computer Equipment	1 499	1 303	1 151	878
Furniture and Office Equipment	744	419	256	165
Machinery and Equipment	1 221	2 726	1 235	357
Transport Assets	200	650	1 875	1 500
TOTAL CAPITAL EXPENDITURE - Asset class	24 252	27 665	29 682	29 203

1.8 Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2017/18 budget and MTREF to be approved by the Council.

Table A1 - Budget Summary

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands				
<u>Financial Performance</u>				
Property rates	54 429	60 143	64 943	70 834
Service charges	140 649	152 857	161 871	171 440
Investment revenue	2 050	2 060	2 215	2 381
Transfers recognised - operational	52 543	55 134	57 206	81 879
Other own revenue	21 227	23 571	25 680	27 141
Total Revenue (excluding capital transfers and contributions)	270 897	293 765	311 915	353 675
Employee costs	103 603	117 179	124 122	132 096
Remuneration of councillors	4 786	5 145	5 531	5 945
Depreciation & asset impairment	10 888	11 440	11 590	11 747
Finance charges	8 527	8 964	9 212	9 487
Materials and bulk purchases	111 820	115 928	119 704	144 782
Transfers and grants	2 339	2 763	2 685	2 760
Other expenditure	45 955	47 503	48 319	50 111
Total Expenditure	287 917	308 922	321 162	356 928
Surplus/(Deficit)	(17 020)	(15 157)	(9 247)	(3 253)
Transfers and subsidies - capital	11 202	12 969	13 001	18 264
Surplus/(Deficit) for the year	(5 818)	(2 187)	3 753	15 011
<u>Capital expenditure & funds sources</u>				
Capital expenditure	24 752	27 665	29 682	29 203
Transfers recognised - capital	11 202	12 969	13 001	18 264
Public contributions & donations	—	—	—	—
Borrowing	3 553	5 661	6 983	2 150
Internally generated funds	9 497	9 034	9 699	8 789
Total sources of capital funds	24 252	27 665	29 682	29 203

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands				
<u>Financial position</u>				
Total current assets	47 295	44 041	47 366	61 334
Total non current assets	416 061	432 259	450 324	467 753
Total current liabilities	36 221	37 817	40 421	43 925
Total non current liabilities	122 058	135 593	150 626	163 507
Community wealth/Equity	305 077	302 890	306 643	321 654
<u>Cash flows</u>				
Net cash from (used) operating	23 527	13 909	20 973	34 975
Net cash from (used) investing	(24 225)	(27 137)	(28 405)	(27 676)
Net cash from (used) financing	2 348	3 609	3 991	(625)
Cash/cash equivalents at the year end	16 035	6 415	2 975	9 648
<u>Cash backing/surplus reconciliation</u>				
Cash and investments available	16 035	6 415	2 975	9 648
Application of cash and investments	(14 251)	(19 884)	(25 798)	(30 192)
Balance - surplus (shortfall)	30 286	26 300	28 773	39 840
<u>Asset management</u>				
Asset register summary (WDV)	415 861	432 086	450 178	467 635
Depreciation	10 888	11 440	11 590	11 747
Renewal of Existing Assets	4 460	6 215	4 247	4 140
Repairs and Maintenance	27 310	56 693	59 381	62 884
<u>Free services</u>				
Cost of Free Basic Services provided	8 684	9 205	9 757	10 343
Revenue cost of free services provided	410	1 110	1 166	1 224
<u>Households below minimum service level</u>				
Water:	1	1	1	1
Sanitation/sew erage:	1	1	1	1
Energy :	1	1	1	1
Refuse:	—	—	—	—

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The accumulated surplus is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget.

MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

Functional Classification Description R thousand	Full Year Forecast	2017/18 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Revenue - Functional</u>				
<i>Governance and administration</i>	88 702	105 419	113 618	123 818
Executive and council	14 391	25 190	27 645	29 808
Finance and administration	74 310	80 229	85 973	94 010
<i>Community and public safety</i>	30 034	34 571	33 680	55 279
Community and social services	5 971	7 023	7 227	8 687
Sport and recreation	5 963	7 098	6 453	6 492
Housing	18 100	20 450	20 000	40 100
<i>Economic and environmental services</i>	11 763	12 731	13 297	14 231
Planning and development	874	874	954	1 042
Road transport	10 889	11 857	12 343	13 190
<i>Trading services</i>	151 601	154 014	164 320	178 611
Energy sources	99 773	104 438	110 894	121 039
Water management	23 929	24 344	26 205	28 207
Waste water management	10 487	9 508	10 266	11 083
Waste management	17 412	15 723	16 955	18 282
Total Revenue - Functional	282 099	306 734	324 915	371 939
<u>Expenditure - Functional</u>				
<i>Governance and administration</i>	85 377	89 598	93 253	97 217
Executive and council	13 304	14 383	14 834	15 679
Finance and administration	70 523	73 628	76 741	79 767
Internal audit	1 550	1 587	1 678	1 770
<i>Community and public safety</i>	37 778	45 318	45 815	68 562
Community and social services	8 202	12 217	12 856	14 706
Sport and recreation	10 019	10 956	11 154	11 834
Housing	19 557	22 145	21 804	42 022
<i>Economic and environmental services</i>	36 240	39 708	41 407	43 523
Planning and development	8 727	8 908	8 772	9 017
Road transport	27 513	30 800	32 635	34 506
<i>Trading services</i>	128 522	134 297	140 687	147 626
Energy sources	86 254	88 085	92 566	97 278
Water management	15 022	16 834	17 501	18 412
Waste water management	9 618	10 311	10 776	11 270
Waste management	17 629	19 067	19 844	20 666
Total Expenditure - Functional	287 917	308 922	321 162	356 928
Surplus/(Deficit) for the year	(5 818)	(2 187)	3 753	15 011

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 16 mSCOA functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note that as a general principle the revenues for the Trading Services should exceed their expenditures.
3. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources.
4. The table includes capital grant revenue, but excludes internal charges between various departments such as electricity, water, sanitation and refuse. These items, although correctly included/excluded, should also be taken into account before coming to any conclusion with regards to the cost reflectiveness of tariffs and fees raised by the municipality.

MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Revenue by Vote</u>				
Vote 1 - Executive and Council	14 391	28 496	30 863	34 167
Vote 2 - Financial Services & ICT	59 846	66 723	72 724	80 354
Vote 3 - Corporate Services	4 309	—	—	—
Vote 4 - Management Services	51 953	45 214	44 845	66 178
Vote 5 - Engineering Services	51 828	166 301	176 483	191 240
Vote 6 - Electricity	99 773	—	—	—
Total Revenue by Vote	282 099	306 734	324 915	371 939
<u>Expenditure by Vote to be appropriated</u>				
Vote 1 - Executive and Council	17 743	41 823	43 491	46 857
Vote 2 - Financial Services & ICT	38 005	47 136	49 264	52 460
Vote 3 - Corporate Services	27 306	—	—	—
Vote 4 - Management Services	60 932	63 866	66 108	87 170
Vote 5 - Engineering Services	57 678	156 097	162 300	170 442
Vote 6 - Electricity	86 254	—	—	—
Total Expenditure by Vote	287 917	308 922	321 162	356 928
Surplus/(Deficit) for the year	(5 818)	(2 187)	3 753	15 011

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating

performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

Description R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Revenue By Source</u>				
Property rates	54 429	60 143	64 943	70 834
Service charges - electricity revenue	97 447	103 306	108 471	113 893
Service charges - water revenue	21 726	24 342	26 202	28 204
Service charges - sanitation revenue	7 565	9 486	10 244	11 061
Service charges - refuse revenue	13 910	15 723	16 955	18 282
Rental of facilities and equipment	2 003	2 056	2 001	2 027
Interest earned - external investments	2 050	2 060	2 215	2 381
Interest earned - outstanding debtors	876	1 496	1 627	1 775
Fines, penalties and forfeits	8 643	9 271	9 964	10 709
Licences and permits	30	61	65	69
Agency services	2 303	2 419	2 514	2 624
Transfers and subsidies	52 543	55 134	57 206	81 879
Other revenue	7 372	7 769	8 259	8 438
Gains on disposal of PPE	–	500	1 250	1 500
Total Revenue (excluding capital transfers and contributions)	270 897	293 765	311 915	353 675
<u>Expenditure By Type</u>				
Employee related costs	103 603	117 179	124 122	132 096
Remuneration of councillors	4 786	5 145	5 531	5 945
Debt impairment	7 400	7 833	8 412	8 961
Depreciation & asset impairment	10 888	11 440	11 590	11 747
Finance charges	8 527	8 964	9 212	9 487
Bulk purchases	75 021	76 678	80 512	84 538
Other materials	36 799	39 250	39 192	60 244
Contracted services	17 804	18 208	17 435	17 474
Transfers and subsidies	2 339	2 763	2 685	2 760
Other expenditure	20 750	21 461	22 471	23 677
Total Expenditure	287 917	308 922	321 162	356 928
Surplus/(Deficit)	(17 020)	(15 157)	(9 247)	(3 253)
Transfers and subsidies - capital	11 202	12 969	13 001	18 264
Surplus/(Deficit) for the year	(5 818)	(2 187)	3 753	15 011

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Table A4 represents the revenue per source as well as the expenditure per type. This classification is aligned to the GRAP disclosures in the annual financial statements of the municipality as well as the mSCOA reporting framework.

MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Capital expenditure - Vote</u>				
<u>Multi-year expenditure to be appropriated</u>				
Vote 3 - Corporate Services	30	—	—	—
Vote 4 - Management Services	—	650	1 770	640
Vote 5 - Engineering Services	4 118	650	1 350	900
Vote 6 - Electricity	200	—	—	—
Capital multi-year expenditure sub-total	4 348	1 300	3 120	1 540
<u>Single-year expenditure to be appropriated</u>				
Vote 1 - Executive and Council	73	855	38	—
Vote 2 - Financial Services & ICT	369	2 505	1 220	878
Vote 3 - Corporate Services	2 303	—	—	—
Vote 4 - Management Services	3 932	2 964	3 682	1 812
Vote 5 - Engineering Services	9 802	20 042	21 622	24 974
Vote 6 - Electricity	3 424	—	—	—
Capital single-year expenditure sub-total	19 904	26 365	26 562	27 663
Total Capital Expenditure - Vote	24 252	27 665	29 682	29 203

Vote Description R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Capital Expenditure - Functional</u>				
<i>Governance and administration</i>	4 459	2 962	2 062	1 104
Executive and council	47	254	–	–
Finance and administration	4 409	2 708	2 062	1 104
Internal audit	2	–	–	–
<i>Community and public safety</i>	1 958	3 164	4 001	1 310
Community and social services	688	303	151	–
Sport and recreation	1 270	2 861	3 850	1 310
<i>Economic and environmental services</i>	9 357	12 859	16 820	16 076
Planning and development	533	539	7	–
Road transport	8 824	12 320	16 813	16 076
<i>Trading services</i>	8 978	8 680	6 800	10 713
Energy sources	3 624	2 548	3 993	7 000
Water management	3 761	3 255	2 807	1 450
Waste water management	1 580	877	–	2 263
Waste management	14	2 000	–	–
Total Capital Expenditure - Functional	24 752	27 665	29 682	29 203
<u>Funded by:</u>				
National Government	10 464	12 108	13 001	18 264
Provincial Government	738	862	–	–
Transfers recognised - capital	11 202	12 969	13 001	18 264
Borrowing	3 553	5 661	6 983	2 150
Internally generated funds	9 497	9 034	9 699	8 789
Total Capital Funding	24 252	27 665	29 682	29 203

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.
3. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.

4. The capital program is funded from National, Provincial and Other grants and transfers, borrowing and internally generated funds from current and prior year surpluses.

MBRR Table A6 - Budgeted Financial Position

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
ASSETS				
Current assets				
Cash	16 035	6 415	2 975	9 648
Consumer debtors	23 555	28 019	32 810	37 984
Other debtors	6 199	8 102	10 076	12 196
Current portion of long-term receivables	27	27	27	27
Inventory	1 478	1 478	1 478	1 478
Total current assets	47 295	44 041	47 366	61 334
Non current assets				
Long-term receivables	200	173	145	118
Investment property	40 240	40 232	40 224	40 216
Property, plant and equipment	374 750	390 091	408 484	426 241
Intangible	871	1 763	1 470	1 177
Total non current assets	416 061	432 259	450 324	467 753
TOTAL ASSETS	463 356	476 300	497 690	529 087
LIABILITIES				
Current liabilities				
Borrowing	1 428	2 310	3 288	3 074
Consumer deposits	4 188	4 377	4 574	4 780
Trade and other payables	15 806	15 334	15 695	18 064
Provisions	14 798	15 796	16 864	18 007
Total current liabilities	36 221	37 817	40 421	43 925
Non current liabilities				
Borrowing	4 113	6 651	9 467	8 850
Provisions	117 945	128 942	141 158	154 657
Total non current liabilities	122 058	135 593	150 626	163 507
TOTAL LIABILITIES	158 279	173 410	191 047	207 432
NET ASSETS	305 077	302 890	306 643	321 654
COMMUNITY WEALTH/EQUITY				
Accumulated Surplus/(Deficit)	290 077	287 890	291 643	306 654
Reserves	15 000	15 000	15 000	15 000
TOTAL COMMUNITY WEALTH/EQUITY	305 077	302 890	306 643	321 654

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table A6 is supported by an extensive table of notes (SA3) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

MBRR Table A7 - Budgeted Cash Flow Statement

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	52 471	57 979	62 606	68 285
Service charges	133 620	147 357	156 046	165 271
Other revenue	21 352	15 094	15 845	16 393
Government - operating	52 264	55 134	57 206	81 879
Government - capital	11 902	12 269	13 001	18 264
Interest	2 894	3 502	3 783	4 092
Payments				
Suppliers and employees	(249 043)	(273 935)	(284 078)	(315 660)
Finance charges	(504)	(727)	(751)	(790)
Transfers and Grants	(1 428)	(2 763)	(2 685)	(2 760)
NET CASH FROM/(USED) OPERATING ACTIVITIES	23 527	13 909	20 973	34 975
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	500	1 250	1 500
Decrease (Increase) in non-current debtors	27	27	27	27
Payments				
Capital assets	(24 252)	(27 665)	(29 682)	(29 203)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(24 225)	(27 137)	(28 405)	(27 676)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Borrowing long term/refinancing	3 553	5 661	6 983	2 150
Increase (decrease) in consumer deposits	180	188	197	206
Payments				
Repayment of borrowing	(1 385)	(2 240)	(3 189)	(2 981)
NET CASH FROM/(USED) FINANCING ACTIVITIES	2 348	3 609	3 991	(625)
NET INCREASE/ (DECREASE) IN CASH HELD	1 651	(9 619)	(3 441)	6 673
Cash/cash equivalents at the year begin:	14 384	16 035	6 415	2 975
Cash/cash equivalents at the year end:	16 035	6 415	2 975	9 648

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description R thousand	20116/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Cash and investments available</u>				
Cash/cash equivalents at the year end	16 035	6 415	2 975	9 648
Cash and investments available:	16 035	6 415	2 975	9 648
<u>Application of cash and investments</u>				
Unspent conditional transfers	700	–	–	–
Other working capital requirements	(14 951)	(19 884)	(25 798)	(30 192)
Reserves to be backed by cash/investments	15 000	15 000	15 000	15 000
Total Application of cash and investments:	749	(4 884)	(10 798)	(15 192)
Surplus(shortfall)	15 286	11 300	13 773	24 840

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. As part of the budgeting and planning guidelines that informed the compilation of the 2017/18 MTREF the end objective of the medium-term framework is to ensure the budget is funded and aligned to section 18 of the MFMA.

MBRR Table A9 - Asset Management

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
CAPITAL EXPENDITURE				
<u>Total New Assets</u>	7 654	9 579	14 862	19 071
<i>Roads Infrastructure</i>	200	200	200	200
<i>Storm water Infrastructure</i>	–	5 384	8 558	9 251
<i>Electrical Infrastructure</i>	1 712	1 100	2 385	7 000
<i>Water Supply Infrastructure</i>	2 377	–	–	–
<i>Sanitation Infrastructure</i>	–	–	–	1 000
Infrastructure	4 289	6 684	11 143	17 451
Community Facilities	954	770	270	150
Sport and Recreation Facilities	–	784	1 250	500
Community Assets	954	1 554	1 520	650
Operational Buildings	150	95	95	–
Other Assets	150	95	95	–
Licences and Rights	7	8	–	–
Intangible Assets	7	8	–	–
Computer Equipment	1 111	213	462	595
Furniture and Office Equipment	454	166	44	45
Machinery and Equipment	490	459	348	330
Transport Assets	200	400	1 250	–
<u>Total Renewal of Existing Assets</u>	4 460	6 215	4 247	4 140
<i>Roads Infrastructure</i>	750	200	1 100	1 100
<i>Water Supply Infrastructure</i>	915	2 060	1 350	950
<i>Sanitation Infrastructure</i>	1 580	877	–	263
Infrastructure	3 244	3 137	2 450	2 313
Community Facilities	–	350	–	–
Community Assets	–	350	–	–
Operational Buildings	400	–	–	–
Other Assets	400	–	–	–
Computer Equipment	114	134	168	180
Furniture and Office Equipment	198	193	157	120
Machinery and Equipment	503	2 152	847	27
Transport Assets	–	250	625	1 500

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
<u>Total Upgrading of Existing Assets</u>	12 139	11 870	10 574	5 993
<i>Roads Infrastructure</i>	6 585	5 613	4 650	3 700
<i>Storm water Infrastructure</i>	700	500	650	650
<i>Electrical Infrastructure</i>	1 829	1 311	1 358	–
<i>Water Supply Infrastructure</i>	469	100	–	–
<i>Solid Waste Infrastructure</i>	–	350	–	–
Infrastructure	9 583	7 873	6 658	4 350
Community Facilities	1 772	289	2 330	1 100
Sport and Recreation Facilities	50	1 355	970	440
Community Assets	1 822	1 644	3 300	1 540
Operational Buildings	–	45	–	–
Other Assets	–	45	–	–
Licences and Rights	140	1 176	–	–
Intangible Assets	140	1 176	–	–
Computer Equipment	274	957	521	103
Furniture and Office Equipment	92	60	55	–
Machinery and Equipment	228	115	40	–
<u>Total Capital Expenditure</u>				
<i>Roads Infrastructure</i>	7 535	6 013	5 950	5 000
<i>Storm water Infrastructure</i>	700	5 884	9 208	9 901
<i>Electrical Infrastructure</i>	3 541	2 411	3 743	7 000
<i>Water Supply Infrastructure</i>	3 761	2 160	1 350	950
<i>Sanitation Infrastructure</i>	1 580	877	–	1 263
<i>Solid Waste Infrastructure</i>	–	350	–	–
Infrastructure	17 116	17 695	20 250	24 114
Community Facilities	2 726	1 409	2 600	1 250
Sport and Recreation Facilities	50	2 139	2 220	940
Community Assets	2 776	3 548	4 820	2 190
Operational Buildings	550	140	95	–
Other Assets	550	140	95	–
Licences and Rights	147	1 184	–	–
Intangible Assets	147	1 184	–	–
Computer Equipment	1 499	1 303	1 151	878
Furniture and Office Equipment	744	419	256	165
Machinery and Equipment	1 221	2 726	1 235	357
Transport Assets	200	650	1 875	1 500
TOTAL CAPITAL EXPENDITURE - Asset class	24 252	27 665	29 682	29 203

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
ASSET REGISTER SUMMARY - PPE (WDV)				
<i>Roads Infrastructure</i>	54 423	59 237	63 989	67 790
<i>Storm water Infrastructure</i>	27 055	32 395	41 058	50 416
<i>Electrical Infrastructure</i>	44 747	45 724	47 949	53 343
<i>Water Supply Infrastructure</i>	35 021	36 097	36 362	36 228
<i>Sanitation Infrastructure</i>	45 628	44 930	43 355	43 042
<i>Solid Waste Infrastructure</i>	46 835	44 593	41 935	39 209
Infrastructure	253 708	262 976	274 648	290 028
Community Facilities	14 679	15 923	18 358	19 443
Sport and Recreation Facilities	5 177	7 237	9 379	10 241
Community Assets	19 856	23 161	27 737	29 684
Revenue Generating	40 240	40 232	40 224	40 216
Investment properties	40 240	40 232	40 224	40 216
Operational Buildings	77 432	77 132	76 787	76 346
Other Assets	77 432	77 132	76 787	76 346
Licences and Rights	871	1 763	1 470	1 177
Intangible Assets	871	1 763	1 470	1 177
Computer Equipment	3 597	4 581	5 414	5 973
Furniture and Office Equipment	6 863	6 619	6 212	5 714
Machinery and Equipment	3 667	6 113	7 068	7 144
Transport Assets	9 626	9 510	10 618	11 352
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	415 861	432 086	450 178	467 635
EXPENDITURE OTHER ITEMS				
<u>Depreciation</u>	10 888	11 440	11 590	11 747
<u>Repairs and Maintenance by Asset Class</u>	27 310	56 693	59 381	62 884
<i>Roads Infrastructure</i>	3 634	10 970	11 635	12 344
<i>Electrical Infrastructure</i>	1 429	7 650	8 067	8 510
<i>Water Supply Infrastructure</i>	1 975	9 219	9 742	10 299
<i>Sanitation Infrastructure</i>	2 010	6 424	6 769	7 136
<i>Solid Waste Infrastructure</i>	1 234	1 918	2 026	2 140
Infrastructure	10 282	36 180	38 238	40 429
Community Facilities	4 111	4 377	4 652	4 957
Sport and Recreation Facilities	1 792	4 240	4 499	4 767
Community Assets	5 903	8 616	9 151	9 724
Operational Buildings	4 184	4 511	4 407	4 672
Other Assets	4 184	4 511	4 407	4 672
Licences and Rights	2 660	3 128	3 206	3 432
Intangible Assets	2 660	3 128	3 206	3 432
Computer Equipment	90	68	72	75
Furniture and Office Equipment	165	91	95	100
Machinery and Equipment	674	620	572	601
Transport Assets	3 351	3 478	3 640	3 850
TOTAL EXPENDITURE OTHER ITEMS	38 197	68 132	70 971	74 631

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The Municipality does not meet both these recommendations.

MBRR Table A10 - Basic Service Delivery Measurement

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Household service targets				
<u>Water:</u>				
Piped water inside dwelling	834	836	836	836
Piped water inside yard (but not in dwelling)	–	–	–	–
Using public tap (at least min.service level)	–	–	–	–
Other water supply (at least min.service level)	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	834	836	836	836
Using public tap (< min.service level)	–	–	–	–
Other water supply (< min.service level)	834	836	836	836
No water supply	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	834	836	836	836
Total number of households	1 668	1 672	1 672	1 672
<u>Sanitation/sewerage:</u>				
Flush toilet (connected to sewerage)	–	–	–	–
Flush toilet (with septic tank)	–	–	–	–
Chemical toilet	–	–	–	–
Pit toilet (ventilated)	–	–	–	–
Other toilet provisions (> min.service level)	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	–	–	–	–
Bucket toilet	–	–	–	–
Other toilet provisions (< min.service level)	834	836	836	836
No toilet provisions	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	834	836	836	836
Total number of households	834	836	836	836
<u>Energy:</u>				
Electricity (at least min.service level)	–	–	–	–
Electricity - prepaid (min.service level)	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	–	–	–	–
Electricity (< min.service level)	834	836	836	836
Electricity - prepaid (< min. service level)	–	–	–	–
Other energy sources	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	834	836	836	836
Total number of households	834	836	836	836
<u>Refuse:</u>				
Removed at least once a week	834	836	836	836
<i>Minimum Service Level and Above sub-total</i>	834	836	836	836
Removed less frequently than once a week	–	–	–	–
Using communal refuse dump	–	–	–	–
Using own refuse dump	–	–	–	–
Other rubbish disposal	–	–	–	–
No rubbish disposal	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–
Total number of households	834	836	836	836

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Households receiving Free Basic Service</u>				
Water (6 kilolitres per household per month)	3 451	3 451	3 451	3 451
Sanitation (free minimum level service)	7 879	7 879	7 879	7 879
Electricity/other energy (50kwh per household per month)	3 451	3 451	3 451	3 451
Refuse (removed at least once a week)	3 451	3 451	3 451	3 451
<u>Cost of Free Basic Services provided - Formal Settlements (R'000)</u>				
Water (6 kilolitres per indigent household per month)	2 200	2 332	2 472	2 620
Sanitation (free sanitation service to indigent households)	2 900	3 074	3 258	3 454
Electricity/other energy (50kwh per indigent household per month)	82	87	92	98
Refuse (removed once a week for indigent households)	3 502	3 712	3 935	4 171
<u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u>	–	–	–	–
Total cost of FBS provided	8 684	9 205	9 757	10 343
<u>Highest level of free service provided per household</u>				
Property rates (R value threshold)	50 000	50 000	50 000	50 000
Water (kilolitres per household per month)	6	6	6	6
Sanitation (kilolitres per household per month)	–	–	–	–
Sanitation (Rand per household per month)	21	23	25	26
Electricity (kwh per household per month)	50	50	50	50
Refuse (average litres per week)	–	–	–	–
<u>Revenue cost of subsidised services provided (R'000)</u>				
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	–	–	–	–
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	410	1 110	1 166	1 224
Water (in excess of 6 kilolitres per indigent household per month)	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)	–	–	–	–
Refuse (in excess of one removal a week for indigent households)	–	–	–	–
Municipal Housing - rental rebates	–	–	–	–
Housing - top structure subsidies	–	–	–	–
Other	–	–	–	–
Total revenue cost of subsidised services provided	410	1 110	1 166	1 224

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

POLITICAL OVERSIGHT OF THE BUDGET PROCESS

Section 53 (1) (a) of the MFMA (no 56 of 2003) stipulates that the Mayor of a municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget.

Political oversight of the budget process is necessary to ensure that the needs and priorities of the community, as set out in the IDP, are properly linked to the municipality's spending plans. The mayoral committee is one of the key elements in accomplishing the linkage between the IDP and the Budget of a municipality.

SCHEDULE OF KEY DEADLINES RELATING TO THE BUDGET PROCESS

The mayor must, according to the MFMA, co-ordinate the processes for preparing the annual budget and for reviewing the municipality's IDP and budget-related policies. The mayor therefore tabled a schedule of key deadlines with regards to the budgetary process and the review of the municipality's IDP. These key dates are available on the website of the municipality

PURPOSE OF THE BUDGET AND IDP PROCESS PLAN

The purpose of the process plan is to indicate the various planned activities and strategies on which the municipality will embark to compose its Integrated Development Plan for the five year cycle (2017/2018-2021/2022) and the budget for the 2017/2018 financial year and the two outer years.

The process plan enhances integration and alignment between the IDP and the Budget, thereby ensuring the development of an IDP-based budget. It fulfils the role of an operational framework for the IDP and Budget process outlining the manner in which this process was undertaken. In addition, it identifies the activities in the processes around the key statutory annual operational processes of the budget and IDP compilation, performance management implementation and the adoption of the municipality's annual report.

2.1.1 IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan.

2.1.2 Community Consultation

A full consultation process was carried out during April 2017. During this process members of the community were afforded the opportunity to provide inputs and comments on the draft budget presented to them. The comments and inputs were reviewed and where viable, the proposals were incorporated into the final budget now presented for approval.

2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities.

The 2017/18 MTREF has therefore been directly informed by the IDP process and the following tables provide the reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

Strategic Objective	Goal	Goal Code	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
			Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand						
SO1: To create a culture of good governance	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO1	23 106	25 206	27 662	29 825
SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO2	–	–	–	–
SO3: To create an administration capable of delivering on service excellence.	SG2: To ensure institutional sustainability	KPA2/SG2/SO3	9 310	8 905	8 187	8 233
SO4: To create an enabling environment for economic growth and development	SG3:To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO4	1 130	526	–	–
SO5:To promote tourism in the Municipal Area	SG3:To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO5	–	–	–	–
SO6: To provide effective financial, asset and procurement management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	KPA4/SG4/SO6	59 846	66 723	72 724	80 354
SO7: Provision of equitable quality basic services to all households	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO7	(8 684)	(9 205)	(9 757)	(10 343)
SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO8	161 649	174 422	185 575	200 852
SO9: To provide community facilities and services	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO9	5 462	5 700	5 934	6 276
SO10: Development of sustainable vibrant human settlements	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO10	874	874	954	1 042
SO10: Development of sustainable vibrant human settlements	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA5/SG5/SO10	18 100	20 450	20 000	40 100
SO11:To promote social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO11	417	1 276	1 293	2 411
SO12:To create and maintain a safe and healthy environment	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO12	10 889	11 857	12 343	13 190
Total Revenue (excluding capital transfers and contributions)			282 099	306 734	324 915	371 939

Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

Strategic Objective	Goal	Goal Code	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
			Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand						
SO1: To create a culture of good governance	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO1	19 291	20 333	21 379	22 748
SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO2	3 916	480	505	526
SO3: To create an administration capable of delivering on service excellence.	SG2: To ensure institutional sustainability	KPA2/SG2/SO3	26 530	28 990	29 952	31 786
SO4: To create an enabling environment for economic growth and development	SG3:To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO4	1 420	886	396	432
SO5:To promote tourism in the Municipal Area	SG3:To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO5	1 508	1 573	1 601	1 641
SO6: To provide effective financial, asset and procurement management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	KPA4/SG4/SO6	38 005	41 251	43 028	45 845
SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery .	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO8	138 693	144 994	151 637	159 475
SO9: To provide community facilities and services	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO9	6 765	7 136	7 570	8 070
SO10: Development of sustainable vibrant human settlements	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO10	7 046	7 402	7 168	7 312
SO10: Development of sustainable vibrant human settlements	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA5/SG5/SO10	18 731	21 131	20 720	40 862
SO11:To promote social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO11	4 361	9 320	10 476	10 208
SO12:To create and maintain a safe and healthy environment	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO12	21 651	25 425	26 733	28 021
Total Expenditure			287 917	308 922	321 162	356 928

Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

Strategic Objective	Goal	Goal Code	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
			Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand						
SO1: To create a culture of good governance	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO1	410	527	7	–
SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO2	52	294	–	–
SO3: To create an administration capable of delivering on service excellence.	SG2: To ensure institutional sustainability	KPA2/SG2/SO3	3 709	4 316	5 844	2 404
SO6: To provide effective financial, asset and procurement management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	KPA4/SG4/SO6	369	1 161	–	–
SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO8	18 658	18 732	23 030	25 874
SO9: To provide community facilities and services	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO9	551	294	130	10
SO10: Development of sustainable vibrant human settlements	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO10	9	13	–	–
SO11: To promote social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO11	145	22	31	–
SO12: To create and maintain a safe and healthy environment	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO12	348	2 308	640	915
Total Capital Expenditure			24 252	27 665	29 682	29 203

Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality target, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages.

The following table sets out the municipalities main performance objectives and benchmarks for the 2017/18 MTREF.

MBRR Table SA7 Measurable performance objectives and indicators

Description	Unit of measurement	2017/18 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Review the Human Settlement Plan and submit to Council by 30 May 2018	Human Settlement Plan reviewed and submitted to Council for approval	1	1	1
Obtain full Blue Flag status for Duiker Street Beach Struisbaai by 30 November 2017	Full Blue flag status received for Duiker Street Beach Struisbaai	1	1	1
Revision of the Disaster management Plan by 30 March 2018	Number of revisions of the Disaster Management Plan adopted	1	1	1
Create FTE's through government expenditure with the EPWP by 30 June 2018	Number of FTE's created	40	40	40
Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	Number of people from employment equity target groups employed in the three highest levels of management as per the "Senior Management numerical goals and actuals of the EE 2016/17 reporting plan	1	1	1
The percentage of the municipality's operational budget actually spent on implementing its workplace skills plan by 30 June 2018. $\{(Actual\ amount\ spent\ on\ training / total\ operational\ budget) \times 100\}$	% of the operational budget spent on training	0.45	0.45	0.45
Limit vacancy rate to less than 10% of budgeted post by 30 June 2018 $\{(Number\ of\ funded\ posts\ vacant / total\ number\ of\ funded\ posts) \times 100\}$	% Vacancy rate	10%	10%	10%
Implement the individual performance and Incentive Policy in respect of year-end and mid-year evaluations of all personnel by 30 September 2017 and 31 March 2018	% of personnel for whom the individual PMS and Incentive Policy was implemented in respect of year end and mid-year evaluations of all personnel	100%	100%	100%
Review the Spatial Development Framework (SDF) of the municipality by 31 March 2018	SDF reviewed	1	1	1
Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2018	Number of residential properties which are billed for water or have pre paid meters	8601	8601	8601
Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2018	Number of residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas)	8536	8536	8536
Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2018	Number of residential properties which are billed for sewerage	5957	5957	5957

Description	Unit of measurement	2017/18 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June 2018	Number of residential properties which are billed for refuse removal	9551	9551	9551
Provide 6kl free basic water per month to all households during the 2017/18 financial year	Number of HH receiving free basic water	8601	8601	8601
Provide 50kwh free basic electricity per month per indigent household in terms of the equitable share requirements during the 2017/18 financial year	Number of indigent HH receiving free basic electricity	3.26	3.26	3.26
Provide free basic sanitation and refuse to indigent households in terms of the equitable share requirements during the 2017/18 financial year	Number of indigent HH receiving free basic sanitation and refuse in terms of Councils indigent policy	3419	3419	3419
The percentage of the municipality's capital budget actually spent on capital projects by 30 June 2018 {(Actual amount spent on projects /Total amount budgeted for capital projects)X100}	% of the municipal capital budget spent	95%	95%	95%
Financial viability measured in terms of the municipality's ability to meet it's service debt obligations as at 30 June 2017 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)	% Debt to Revenue	45%	45%	45%
Financial viability measured in terms of the outstanding service debtors as at 30 June 2018 (Total outstanding service debtors/ revenue received for services)	% Service debtors to revenue	10%	10%	10%
Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2018 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Cost coverage	1	1	1
Achieve a debtors payment percentage of at least 98% by 30 June 2018{(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue) x 100}	% debtors payment ratio achieved	98%	98%	98%
Limit unaccounted for electricity to less than 12% by 30 June 2018 {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold (incl Free basic electricity)) / Number of Electricity Units Purchased and/or Generated) × 100}	% unaccounted electricity	12%	12%	12%
95% of the electricity maintenance budget spent by 30 June 2018 {(Actual expenditure divided by the total approved maintenance budget) x 100}	% of electricity maintenance budget spent	95%	95%	95%

Description	Unit of measurement	2017/18 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
60% waste water discharge quality obtained for Bredasdorp WWTW	% quality of waste water discharge obtained	60%	60%	60%
95% of the approved project budget spent by 30 June 2018 to Rehabilitate Waste Water Treatment Works {(Actual expenditure divided by the total approved project budget) x 100}	Project completed	1	1	1
95% of the INEP funds received spent by 30 June 2017 for the electrification of 69 IRDP houses {(Actual expenditure divided by the total received INEP allocation) x 100}	% of the INEP funds received spent	95%	95%	95%
Development of an infrastructure maintenance and development plan by 30 June 2018	Number of infrastructure development and maintenance plans developed	1	1	1
Review of micro structure in line with the revised socio economic macro structure by 30 December 2017	Number of approved micro structures	1	1	1
Implement the RBAP for 2016/17 by 30 June 2018 {(Number of audits and tasks completed for the period/ Number of audits and tasks identified in the RBAP)x100}	% of audits and tasks completed in terms of the RBAP	85	85	85
Develop a new communication policy and strategy in line with Councils new vision by 30 December 2017	Number of Communication policys and strategies adopted	1	1	1
Development of a local tourism strategy by 30 December 2017	Number of strategy's adopteda	1	1	1

Description	Unit of measurement	2017/18 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
95% of the electricity capital budget spent by 30 June 2018 $\{(Actual\ expenditure\ divided\ by\ the\ total\ approved\ capital\ budget) \times 100\}$ as per individual project plans	% of electricity capital budget spent	95%	95%	95%
Reseal roads within the municipal area as per PMS 2009 by 30 June 2018	Number of square meters resealed	30000	30000	30000
95% of the roads and storm water maintenance budget spent by 30 June 2018 $\{(Actual\ expenditure\ divided\ by\ the\ total\ approved\ roads\ and\ stormwater\ maintenance\ budget) \times 100\}$	% of roads and storm water maintenance budget spent	95%	95%	95%
95% of the roads and storm water capital budget spent by 30 June 2018 $\{(Actual\ expenditure\ divided\ by\ the\ total\ approved\ roads\ and\ stormwater\ capital\ budget) \times 100\}$	% of roads and storm water capital budget spent	95%	95%	95%
95% of the approved project budget spent by 30 June 2018 to upgrade of roads in Bredasdorp (RDP): $\{(Actual\ expenditure\ divided\ by\ the\ total\ approved\ project\ budget) \times 100\}$	% of approved project budget spent	95%	95%	95%
95% of the refuse removal maintenance budget spent by 30 June 2018 $\{(Actual\ expenditure\ divided\ by\ the\ total\ approved\ refuse\ removal\ maintenance\ budget) \times 100\}$	% of refuse removal maintenance budget spent	95%	95%	95%
95% of the approved refuse removal capital budget spent by 30 June 2018 $\{(Actual\ expenditure\ divided\ by\ the\ total\ approved\ refuse\ removal\ capital\ budget) \times 100\}$	% of refuse removal capital budget spent	95%	95%	95%
95% of the approved water maintenance budget spent by 30 June 2018 $\{(Actual\ expenditure\ divided\ by\ the\ total\ approved\ water\ maintenance\ budget) \times 100\}$	% of water maintenance budget spent	95%	95%	95%
95% of the approved water capital budget spent by 30 June 2018 $\{(Actual\ expenditure\ divided\ by\ the\ total\ approved\ water\ capital\ budget) \times 100\}$	% of water capital budget spent	95%	95%	95%
Limit unaccounted for water to less than 22% by 30 June 2017 $\{(Number\ of\ Kiloliters\ Water\ Purchased\ or\ Purified - Number\ of\ Kiloliters\ Water\ Sold\ (incl\ free\ basic\ water) / Number\ of\ Kiloliters\ Water\ Purchased\ or\ Purified \times 100\}$	% unaccounted water	20%	20%	20%
95% average water quality level obtained as per SANS 241 on micro parameters for all water supply areas	% water quality level obtained	95%	95%	95%
Update the Water Services Development Plan and submit to Council by 31 May 2018	Updated Water Services Development Plan submitted to Council	1	1	1
95% of the approved waste water maintenance budget spent by 30 June 2018 $\{(Actual\ expenditure\ divided\ by\ the\ total\ approved\ waste\ water\ maintenance\ budget) \times 100\}$	% of waste water maintenance budget spent	95%	95%	95%

MBRR Table SA8 - Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
		Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Borrowing Management</u>					
Credit Rating					
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3.4%	3.6%	3.9%	3.5%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	4.5%	4.7%	4.9%	4.6%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	27.2%	38.5%	41.9%	19.7%
<u>Safety of Capital</u>					
Gearing	Long Term Borrowing/ Funds & Reserves	27.4%	44.3%	63.1%	59.0%
<u>Liquidity</u>					
Current Ratio	Current assets/current liabilities	1.3	1.2	1.2	1.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.3	1.2	1.2	1.4
Liquidity Ratio	Monetary Assets/Current Liabilities	0.4	0.2	0.1	0.2
<u>Revenue Management</u>					
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	95.4%	96.4%	96.4%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		95.4%	96.4%	96.4%	96.4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	11.1%	12.4%	13.8%	14.2%
<u>Creditors Management</u>					
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		85.9%	218.3%	482.9%	173.4%
<u>Other Indicators</u>					
Employee costs	Employee costs/(Total Revenue - capital revenue)	38.2%	39.9%	39.8%	37.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	40.0%	41.6%	41.6%	39.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	10.1%	19.3%	19.0%	17.8%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	7.2%	6.9%	6.7%	6.0%
<u>IDP regulation financial viability indicators</u>					
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	–	34.2	36.0	38.4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	15.1%	16.8%	18.8%	20.6%
iii. Cost coverage	(Av ailable cash + Investments)/monthly fixed operational expenditure	0.8	0.3	0.1	0.4

Performance indicators and benchmarks

2.2.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position.

2.2.1.2 Safety of Capital

The gearing ratio is a measure of the total long term borrowings over funds and reserves.

2.2.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a limit of 2, hence at no point in time should this ratio be less than 2.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

2.2.1.4 Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection. Payment levels and credit control is considered to be favorable.

2.2.1.5 Creditors Management

- The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice or statement. This has had a favorable impact on suppliers' perceptions of risk of doing business with the Municipality, which is expected to benefit the Municipality in the form of more competitive pricing of tenders, as suppliers compete for the Municipality's business.

2.2.1.6 Other Indicators

- Employee costs is one of the main cost drivers in any municipality. Any increase in this balance should be carefully considered.
- Repairs and maintenance as percentage of operating revenue is showing improved levels when compared to previous budget cycles. This is mainly due to improved cost allocations, where items such as Employee Related Costs and Contracted Services are now being more accurately allocated to maintenance projects.

2.3 Overview of budget related-policies

There are no amendments made to any budget related policies during the current year.

2.4 Overview of budget assumptions

2.4.1 External factors

The recovery rate of service debtors and rates are currently 96.4 per cent. The recovery rate of fines, which is also considered a significant revenue source is approximately 30%.

2.4.2 General inflation outlook and its impact on the municipal activities

The inflation outlook for South Africa is indicated below and has been taken into consideration in the compilation of the 2017/18 MTREF.

Table 1: Macroeconomic performance and projections, 2015 - 2019

Fiscal year	2016/17	2017/18	2018/19	2019/20
	Estimate	Forecast		
Consumer Price Inflation (CPI)	6.4%	6.4%	5.7%	5.6%
Real GDP growth	0.5%	1.3%	2.0%	2.2%

Source: 2017 Budget Review.

2.4.3 Credit rating outlook

The credit outlook of South Africa remained under pressure, given the fact that the credit rating was recently downgraded to “Junk” Status.

Interest rates for borrowing and investment of funds

Interest rates are currently in an upward cycle and more interest rate increases can be expected within the near future to curb the inflation risk. The inflation rate is currently above the target range of the South African Reserve Bank (3 % – 6 %) at 6.4%.

2.4.4 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage of annual billings. Cash flow is assumed to be 96.4 per cent of billings. The performance of any increased collections or arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

2.4.5 Growth or decline in tax base of the municipality

Debtor's revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

2.4.6 Salary increases

The South African Local Government Bargaining Council recently entered into a three-year Salary and Wage Collective Agreement for the period 01 July 2015 to 30 June 2018. The agreement reached is as follows:

- 2015/16 Financial Year – 7 per cent
- 2016/17 Financial Year – 6 per cent (Average CPI (Feb 2015 – Jan 2016) + 1 per cent)
- 2017/18 Financial Year – average CPI (Feb 2016 – Jan 2017) + 1 per cent

These increases were factored into the MTREF, along with a notch increase of 2.4% in terms of TASK.

2.4.7 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Too few people work;
- The quality of school education for black people is poor;
- Infrastructure is poorly located, inadequate and under-maintained;
- Spatial divides hobble inclusive development;
- The economy is unsustainably resource intensive;
- The public health system cannot meet demand or sustain quality;
- Public services are uneven and often of poor quality;
- Corruption levels are high; and
- South Africa remains a divided society.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

2.4.8 Ability of the municipality to spend and deliver on the programmes

It is estimated, based on prior year's performance and current spending trends, that both capital and operating expenditure will be no less than 95 per cent of the budgeted amounts.

2.5 Overview of budget funding

2.5.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands				
<u>Financial Performance</u>				
Property rates	54 429	60 143	64 943	70 834
Service charges	140 649	152 857	161 871	171 440
Investment revenue	2 050	2 060	2 215	2 381
Transfers recognised - operational	52 543	55 134	57 206	81 879
Other own revenue	21 227	23 571	25 680	27 141
Total Revenue (excluding capital transfers and contributions)	270 897	293 765	311 915	353 675

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation, solid waste removal, property rates, operating grants and other minor charges (such as building plan fees, licenses and permits etc.).

Investment revenue contributes marginally to the revenue base of the Municipality. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

2.5.2 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councilors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provided for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

MBRR Table A7 - Budget cash flow statement

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	52 471	57 979	62 606	68 285
Service charges	133 620	147 357	156 046	165 271
Other revenue	21 352	15 094	15 845	16 393
Government - operating	52 264	55 134	57 206	81 879
Government - capital	11 902	12 269	13 001	18 264
Interest	2 894	3 502	3 783	4 092
Payments				
Suppliers and employees	(249 043)	(273 935)	(284 078)	(315 660)
Finance charges	(504)	(727)	(751)	(790)
Transfers and Grants	(1 428)	(2 763)	(2 685)	(2 760)
NET CASH FROM/(USED) OPERATING ACTIVITIES	23 527	13 909	20 973	34 975
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	500	1 250	1 500
Decrease (Increase) in non-current debtors	27	27	27	27
Payments				
Capital assets	(24 252)	(27 665)	(29 682)	(29 203)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(24 225)	(27 137)	(28 405)	(27 676)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Borrowing long term/refinancing	3 553	5 661	6 983	2 150
Increase (decrease) in consumer deposits	180	188	197	206
Payments				
Repayment of borrowing	(1 385)	(2 240)	(3 189)	(2 981)
NET CASH FROM/(USED) FINANCING ACTIVITIES	2 348	3 609	3 991	(625)
NET INCREASE/ (DECREASE) IN CASH HELD	1 651	(9 619)	(3 441)	6 673
Cash/cash equivalents at the year begin:	14 384	16 035	6 415	2 975
Cash/cash equivalents at the year end:	16 035	6 415	2 975	9 648

2.5.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
<u>Cash and investments available</u>				
Cash/cash equivalents at the year end	16 035	6 415	2 975	9 648
Cash and investments available:	16 035	6 415	2 975	9 648
<u>Application of cash and investments</u>				
Unspent conditional transfers	700	–	–	–
Other working capital requirements	(14 951)	(19 884)	(25 798)	(30 192)
Reserves to be backed by cash/investments	15 000	15 000	15 000	15 000
Total Application of cash and investments:	749	(4 884)	(10 798)	(15 192)
Surplus(shortfall)	15 286	11 300	13 773	24 840

The municipality will be cash funded for the entire MTREF. However, it is very important for the municipality to increase cash levels in order to allow for a contribution to the capital replacement reserve. The surplus indicated above for 2017/2018 is also supported by a positive working capital balance. This positive working capital balance is the result of the municipality's commitment to settle outstanding creditor balances on a timely basis. Creditor balances are thus always very low when compared to the current assets which include receivables.

Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year.

The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. High levels of debtor non-payment and receipt delays will have a greater requirement for working capital, resulting in cash flow challenges.

2.5.4 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

MBRR SA10 – Funding compliance measurement

Description	MFMA section	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
		Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Funding measures					
Cash/cash equivalents at the year end - R'000	18(1)b	16 035	6 415	2 975	9 648
Cash + investments at the yr end less applications - R'000	18(1)b	15 286	11 300	13 773	24 840
Cash year end/monthly employee/supplier payments	18(1)b	0.8	0.3	0.1	0.4
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	(5 818)	(2 187)	3 753	15 011
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	(6.0%)	(6.0%)	0.5%	0.8%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	95.9%	93.4%	93.3%	93.3%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	3.8%	3.7%	3.7%	3.7%
Capital payments % of capital expenditure	18(1)c;19	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	27.2%	38.5%	41.9%	19.7%
Grants % of Govt. legislated/gazetted allocations	18(1)a		101.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	0.0%	0.0%	18.7%	17.0%
Long term receivables % change - incr(decr)	18(1)a	0.0%	0.0%	(15.8%)	(18.7%)
R&M % of Property Plant & Equipment	20(1)(vi)	7.3%	14.5%	14.5%	14.8%
Asset renewal % of capital budget	20(1)(vi)	18.4%	22.5%	14.3%	14.2%

2.5.4.1 Cash/cash equivalent position

The Municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year.

2.5.4.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in the previous page. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.5.4.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts.

2.5.4.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term.

It needs to be noted that a surplus or deficit does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

2.5.4.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is currently 3 - 6 per cent). The result is intended to be an approximation of the real increase in revenue.

2.5.4.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. Given that the assumed collection rate was based on a 95 per cent performance target, the cash flow statement has been conservatively determined when compared to actual results in 2015/2016. However, the percentage in the above table includes direct receipts for services being paid in cash such as agency services and permits. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

2.5.4.7 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues.

2.5.4.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. It can be seen that a 100 per cent payments has been factored into the cash position forecasted over the entire financial year.

2.5.4.9 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Municipality has budgeted for all transfers and therefore no percentage is being shown as outstanding.

2.5.4.10 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. Both measures show a relatively stable trend in line with the Municipality's policy of settling debtors accounts within 30 days.

2.5.4.11 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. .

2.5.4.12 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets.

2.6 Expenditure on grants and reconciliations of unspent funds

MBRR SA18 and 19 – Receipts and Expenditure on transfers and grant programmes

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
RECEIPTS:				
<u>Operating Transfers and Grants</u>				
National Government:	27 297	27 881	29 976	32 991
Local Government Equitable Share	23 075	25 190	27 645	29 808
Energy Efficiency and Demand-side [Schedule 5B]	500	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 210	1 131	–	–
Local Government Financial Management Grant [Schedule 5B]	762	–	1 092	1 500
Municipal Infrastructure Grant [Schedule 5B]	1 750	1 560	1 239	1 183
Municipal Systems Improvement Grant [Schedule 5B]	–	–	–	500
Provincial Government:	24 157	27 253	27 230	48 888
Human Settlement Development	18 100	20 450	20 000	40 100
Library Service Conditional Grant	4 807	5 423	5 814	6 152
Maintenance of Main Roads	158	84	–	–
Community Development Workers	56	56	56	56
Financial Management Support (WC_FMGSG)	970	240	360	480
Greenest Municipality (Violence Protection)	–	1 000	1 000	2 000
Thusong Centre	66	–	–	100
Other grant providers:	810	–	–	–
<i>National Skills Fund</i>	810	–	–	–
Total Operating Transfers and Grants	52 264	55 134	57 206	81 879
<u>Capital Transfers and Grants</u>				
National Government:	10 464	12 108	13 001	18 264
Municipal Infrastructure Grant [Schedule 5B]	8 751	9 558	10 258	10 714
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	1 000	1 000	2 285	7 000
Local Government Financial Management Grant [Schedule 5B]	713	1 550	458	50
Municipal Systems Improvement Grant [Schedule 5B]	–	–	–	500
Provincial Government:	1 438	162	–	–
Library Service	543	162	–	–
Development of Sport and Recreation Facilities	750	–	–	–
Thusong Centre	145	–	–	–
Total Capital Transfers and Grants	11 902	12 269	13 001	18 264
TOTAL RECEIPTS OF TRANSFERS & GRANTS	64 166	67 403	70 207	100 143

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
EXPENDITURE:				
<u>Operating expenditure of Transfers and Grants</u>				
National Government:	27 297	27 881	29 976	32 991
Local Government Equitable Share	23 075	25 190	27 645	29 808
Energy Efficiency and Demand-side [Schedule 5B]	500	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 210	1 131	–	–
Local Government Financial Management Grant [Schedule 5B]	762	–	1 092	1 500
Municipal Infrastructure Grant [Schedule 5B]	1 750	1 560	1 239	1 183
Municipal Systems Improvement Grant [Schedule 5B]	–	–	–	500
Provincial Government:	24 305	27 253	27 230	48 888
Human Settlement Development	18 100	20 450	20 000	40 100
Library Service Conditional Grant	4 807	5 423	5 814	6 152
Maintenance of Main Roads	158	84	–	–
Community Development Workers	56	56	56	56
Financial Management Support (WC_FMGSG)	1 118	240	360	480
Greenest Municipality (Violence Protection)	–	1 000	1 000	2 000
Thusong Centre	66	–	–	100
Other grant providers:	941	–	–	–
<i>National Skills Fund</i>	941	–	–	–
Total operating expenditure of Transfers and Grants:	52 543	55 134	57 206	81 879
<u>Capital expenditure of Transfers and Grants</u>				
National Government:	10 464	12 108	13 001	18 264
Municipal Infrastructure Grant [Schedule 5B]	8 751	9 558	10 258	10 714
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	1 000	1 000	2 285	7 000
Local Government Financial Management Grant [Schedule 5B]	713	1 550	458	50
Municipal Systems Improvement Grant [Schedule 5B]	–	–	–	500
Provincial Government:	738	862	–	–
Library Service	543	162	–	–
Development of Sport and Recreation Facilities	50	700	–	–
Thusong Centre	145	–	–	–
Total capital expenditure of Transfers and Grants	11 202	12 969	13 001	18 264
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	63 745	68 103	70 207	100 143

MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

Description R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Operating transfers and grants:</u>				
National Government:				
Balance unspent at beginning of the year	–	–	–	–
Current year receipts	27 297	27 881	29 976	32 991
Conditions met - transferred to revenue	27 297	27 881	29 976	32 991
Conditions still to be met - transferred to liabilities	–	–	–	–
Provincial Government:				
Balance unspent at beginning of the year	148	–	–	–
Current year receipts	24 157	27 253	27 230	48 888
Conditions met - transferred to revenue	24 305	27 253	27 230	48 888
Conditions still to be met - transferred to liabilities	–	–	–	–
Other grant providers:				
Balance unspent at beginning of the year	131	–	–	–
Current year receipts	810	–	–	–
Conditions met - transferred to revenue	941	–	–	–
Conditions still to be met - transferred to liabilities	–	–	–	–
Total operating transfers and grants revenue	52 543	55 134	57 206	81 879
Total operating transfers and grants - CTBM	–	–	–	–
<u>Capital transfers and grants:</u>				
National Government:				
Balance unspent at beginning of the year	–	–	–	–
Current year receipts	10 464	12 108	13 001	18 264
Conditions met - transferred to revenue	10 464	12 108	13 001	18 264
Conditions still to be met - transferred to liabilities	–	–	–	–
Provincial Government:				
Balance unspent at beginning of the year	–	700	–	–
Current year receipts	1 438	162	–	–
Conditions met - transferred to revenue	738	862	–	–
Conditions still to be met - transferred to liabilities	700	–	–	–
Total capital transfers and grants revenue	11 202	12 969	13 001	18 264
Total capital transfers and grants - CTBM	700	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE	63 745	68 103	70 207	100 143
TOTAL TRANSFERS AND GRANTS - CTBM	700	–	–	–

2.7 Allocations and Grants made by the municipality

The following contributions are projected over the MTREF:

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
<u>Cash Transfers to Organisations</u>				
CONTRIBUTION - SAVE HOUSE	–	100	11	12
CONTRIBUTION - ELIM COMMUNITY	300	300	300	300
CONTRIBUTION - KASSIEBAAI COMMUNITY	120	120	120	120
CONTRIBUTION - SHIPWRECK MUSEUM	50	53	55	57
CONTRIBUTION - TOURISM BURO	858	901	946	984
CONTRIBUTION - ONS HUIS	–	50	–	–
CONTRIBUTION - OVERBERG RADIO	100	120	100	100
Total Cash Transfers To Organisations	1 428	1 643	1 532	1 573
<u>Cash Transfers to Groups of Individuals</u>				
BURSARIES (NON-EMPLOYEES)	80	80	80	80
OTHER DONATIONS AND SOCIAL SUPPORT	521	390	390	390
INTERNSHIP (SETA) UNEMPLOYMENT BURSARY	60	–	–	–
COMMUNITY SERVICES - SOCIAL DEVELOPMENT	100	500	525	551
COMMUNITY SERVICES - FEEDING SCHEME	150	150	158	165
Total Cash Transfers To Groups Of Individuals:	911	1 120	1 153	1 187
TOTAL CASH TRANSFERS AND GRANTS	2 339	2 763	2 685	2 760

2.8 Councilor and employee benefits

MBRR SA22 - Summary of councilor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Councillors (Political Office Bearers plus Other)</u>				
Basic Salaries and Wages	2 849	3 063	3 293	3 540
Pension and UIF Contributions	507	545	586	630
Medical Aid Contributions	45	48	52	56
Motor Vehicle Allowance	1 133	1 218	1 310	1 408
Cellphone Allowance	251	270	290	312
Sub Total - Councillors	4 786	5 145	5 531	5 945
% increase	–	7.5%	7.5%	7.5%
<u>Senior Managers of the Municipality</u>				
Basic Salaries and Wages	3 885	3 919	4 194	4 487
Pension and UIF Contributions	799	713	762	816
Medical Aid Contributions	213	188	207	227
Performance Bonus	667	525	561	601
Motor Vehicle Allowance	386	292	292	292
Cellphone Allowance	31	14	14	14
Other benefits and allowances	87	45	48	52
Payments in lieu of leave	–	400	–	–
Sub Total - Senior Managers of Municipality	6 067	6 096	6 079	6 489
% increase	–	0.5%	(0.3%)	6.7%
<u>Other Municipal Staff</u>				
Basic Salaries and Wages	65 688	75 557	80 831	86 570
Pension and UIF Contributions	11 220	12 762	13 655	14 611
Medical Aid Contributions	3 412	3 844	4 229	4 651
Overtime	3 241	3 402	3 517	3 655
Motor Vehicle Allowance	4 818	5 359	5 359	5 359
Cellphone Allowance	432	378	378	378
Housing Allowances	1 099	951	951	951
Other benefits and allowances	3 882	5 018	5 120	5 229
Payments in lieu of leave	875	919	965	1 013
Long service awards	498	522	549	576
Post-retirement benefit obligations	2 372	2 372	2 491	2 615
Sub Total - Other Municipal Staff	97 536	111 083	118 043	125 607
% increase	–	13.9%	6.3%	6.4%
TOTAL SALARY, ALLOWANCES & BENEFITS	108 389	122 323	129 652	138 042
% increase	–	12.9%	6.0%	6.5%
TOTAL MANAGERS AND STAFF	103 603	117 179	124 122	132 096

Table 4 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

Disclosure of Salaries, Allowances & Benefits	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum							
<u>Councillors</u>							
Speaker	1	426 583	63 772	187 483			677 838
Chief Whip		–	–	–			–
Executive Mayor	1	511 421	99 727	228 226			839 374
Deputy Executive Mayor	1	368 562	120 356	187 483			676 401
Executive Committee	2	782 140	134 581	354 594			1 271 315
Total for all other councillors	6	974 528	175 025	530 222			1 679 775
Total Councillors	11	3 063 234	593 461	1 488 008			5 144 703
<u>Senior Managers of the Municipality</u>							
Municipal Manager (MM)	1	1 238 700	289 849	272 000	160 100		1 960 649
Chief Finance Officer	1	968 600	222 700	334 500	125 100		1 650 900
Director: Management Services	1	867 500	218 700	36 000	121 400		1 243 600
Director: Engineering Services	1	844 400	214 300	63 900	118 200		1 240 800
Total Senior Managers of the Municipality	5	3 919 200	945 549	706 400	524 800		6 095 949
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	16	6 982 434	1 539 010	2 194 408	524 800		11 240 652

MBRR SA24 – Summary of personnel numbers

Summary of Personnel Numbers	Ref	2015/16			Current Year 2016/17			Budget Year 2017/18		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		9	–	–	10	10	–	11	–	11
Board Members of municipal entities	4	–	–	–	–	–	–	–	–	–
Municipal employees	5	–	–	–	–	–	–	–	–	–
Municipal Manager and Senior Managers	3	6	1	5	5	–	4	5	–	5
Other Managers	7	18	15	–	18	15	–	20	20	–
Professionals		192	151	13	151	151	13	28	28	–
Finance		31	26	5	26	26	5	9	9	–
Spatial/town planning		10	9	–	9	9	–	8	8	–
Information Technology		2	1	1	1	1	1	–	–	–
Roads		41	35	2	35	35	2	–	–	–
Electricity		20	18	–	18	18	–	–	–	–
Water		38	29	5	29	29	5	–	–	–
Sanitation		50	33	–	33	33	–	–	–	–
Refuse		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	11	11	–
Technicians		–	–	–	–	–	–	55	54	1
Finance		–	–	–	–	–	–	6	6	–
Spatial/town planning		–	–	–	–	–	–	–	–	–
Information Technology		–	–	–	–	–	–	2	1	1
Roads		–	–	–	–	–	–	3	3	–
Electricity		–	–	–	–	–	–	5	5	–
Water		–	–	–	–	–	–	11	11	–
Sanitation		–	–	–	–	–	–	4	4	–
Refuse		–	–	–	–	–	–	3	3	–
Other		–	–	–	–	–	–	21	21	–
Clerks (Clerical and administrative)		178	126	17	56	56	2	87	84	3
Service and sales workers		–	–	–	–	–	–	–	–	–
Skilled agricultural and fishery workers		–	–	–	–	–	–	–	–	–
Craft and related trades		62	42	–	42	42	–	21	21	–
Plant and Machine Operators		–	–	–	–	–	–	12	12	–
Elementary Occupations		132	112	5	79	79	5	127	127	–
TOTAL PERSONNEL NUMBERS	9	597	447	40	361	353	24	366	346	20
% increase					(39.5%)	(21.0%)	(40.0%)	1.4%	(2.0%)	(16.7%)
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

2.9 Monthly targets for revenue, expenditure and cash flow

MBRR SA25 - Budgeted monthly revenue and expenditure

Description	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue By Source															
Property rates	18 043	3 827	3 827	3 827	3 827	3 827	3 827	3 827	3 827	3 827	3 827	3 827	60 143	64 943	70 834
Service charges - electricity revenue	8 640	9 077	9 450	9 254	8 440	9 314	7 596	8 117	8 430	8 537	9 405	7 046	103 306	108 471	113 893
Service charges - water revenue	1 853	1 904	1 941	1 921	2 004	2 277	2 096	2 232	2 333	2 137	2 139	1 505	24 342	26 202	28 204
Service charges - sanitation revenue	771	776	808	790	833	926	685	754	762	844	790	746	9 486	10 244	11 061
Service charges - refuse revenue	1 304	1 304	1 304	1 304	1 303	1 303	1 345	1 314	1 304	1 304	1 304	1 330	15 723	16 955	18 282
Rental of facilities and equipment	79	110	292	407	138	165	409	79	117	121	73	66	2 056	2 001	2 027
Interest earned - external investments	52	144	169	168	175	75	237	190	172	241	279	157	2 060	2 215	2 381
Interest earned - outstanding debtors	58	105	111	119	130	143	138	144	149	119	140	137	1 496	1 627	1 775
Fines, penalties and forfeits	805	673	797	395	646	835	983	1 063	852	602	554	1 066	9 271	9 964	10 709
Licences and permits	5	4	5	7	5	5	5	5	5	5	5	5	61	65	69
Agency services	242	163	202	305	144	232	99	222	234	157	190	229	2 419	2 514	2 624
Transfers and subsidies	9 899	2 834	2 834	2 834	9 899	2 834	2 834	2 834	9 899	2 834	2 834	2 761	55 134	57 206	81 879
Other revenue	237	1 202	696	710	814	1 066	665	312	284	368	766	649	7 769	8 259	8 438
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	500	500	1 250	1 500
Total Revenue (excluding capital transfers and	41 989	22 123	22 436	22 041	28 358	23 005	20 920	21 095	28 369	21 098	22 306	20 025	293 765	311 915	353 675
Expenditure By Type															
Employee related costs	8 994	8 996	9 017	9 539	14 420	9 298	10 640	9 351	9 287	9 612	9 416	8 609	117 179	124 122	132 096
Remuneration of councillors	407	395	401	401	401	401	401	625	429	429	429	429	5 145	5 531	5 945
Debt impairment	653	653	653	653	653	653	653	653	653	653	653	653	7 833	8 412	8 961
Depreciation & asset impairment	953	953	953	953	953	953	953	953	953	953	953	953	11 440	11 590	11 747
Finance charges	747	747	747	747	747	747	747	747	747	747	747	747	8 964	9 212	9 487
Bulk purchases	6 390	6 379	6 396	6 406	6 375	6 398	6 388	6 377	6 397	6 374	6 399	6 398	76 678	80 512	84 538
Other materials	2 451	2 736	2 510	3 101	3 069	4 746	1 808	3 046	2 931	4 690	3 564	4 598	39 250	39 192	60 244
Contracted services	382	1 114	1 414	2 470	1 275	2 449	1 483	1 577	1 737	1 765	2 289	253	18 208	17 435	17 474
Transfers and subsidies	222	222	222	222	222	222	222	222	222	222	222	316	2 763	2 685	2 760
Other expenditure	1 340	1 496	1 372	1 696	1 678	2 595	989	1 666	1 603	2 564	1 949	2 514	21 461	22 471	23 677
Total Expenditure	22 539	23 694	23 685	26 188	29 794	28 462	24 284	25 217	24 959	28 010	26 620	25 470	308 922	321 162	356 928
Surplus/(Deficit)	19 451	(1 571)	(1 248)	(4 147)	(1 436)	(5 457)	(3 365)	(4 123)	3 410	(6 912)	(4 314)	(5 445)	(15 157)	(9 247)	(3 253)
Transfers and subsidies - capital	212	460	978	783	405	1 220	252	1 171	2 673	1 028	1 142	2 648	12 969	13 001	18 264
Surplus/(Deficit)	19 663	(1 111)	(270)	(3 364)	(1 032)	(4 237)	(3 113)	(2 952)	6 083	(5 884)	(3 172)	(2 797)	(2 187)	3 753	15 011

MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

Description	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand															
<u>Revenue by Vote</u>															
Vote 1 - Executive and Council	4 807	1 494	1 649	1 758	4 878	1 542	1 757	1 440	4 843	1 480	1 446	1 402	28 496	30 863	34 167
Vote 2 - Financial Services & ICT	18 250	4 249	4 302	4 282	4 297	4 300	4 310	4 351	4 544	4 360	4 464	5 014	66 723	72 724	80 354
Vote 4 - Management Services	5 999	3 178	2 987	2 698	6 217	3 355	3 003	2 964	6 241	2 482	2 786	3 304	45 214	44 845	66 178
Vote 5 - Engineering Services	13 145	13 662	14 477	14 085	13 371	15 028	12 101	13 510	15 414	13 804	14 752	12 953	166 301	176 483	191 240
Total Revenue by Vote	42 201	22 583	23 414	22 824	28 762	24 225	21 171	22 265	31 042	22 126	23 448	22 673	306 734	324 915	371 939
<u>Expenditure by Vote to be appropriated</u>															
Vote 1 - Executive and Council	3 017	3 099	3 131	3 544	4 352	3 765	3 345	3 542	3 449	3 707	3 588	3 284	41 823	43 491	46 857
Vote 2 - Financial Services & ICT	3 284	3 541	3 538	4 029	4 742	4 461	3 673	3 796	3 756	4 371	4 104	3 839	47 136	49 264	52 460
Vote 4 - Management Services	4 304	4 692	4 616	5 381	6 270	6 403	4 573	5 092	5 007	6 286	5 614	5 627	63 866	66 108	87 170
Vote 5 - Engineering Services	11 933	12 362	12 399	13 234	14 431	13 833	12 693	12 787	12 747	13 645	13 314	12 719	156 097	162 300	170 442
Total Expenditure by Vote	22 539	23 694	23 685	26 188	29 794	28 462	24 284	25 217	24 959	28 010	26 620	25 470	308 922	321 162	356 928
Surplus/(Deficit)	19 663	(1 111)	(270)	(3 364)	(1 032)	(4 237)	(3 113)	(2 952)	6 083	(5 884)	(3 172)	(2 797)	(2 187)	3 753	15 011

MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

Description	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue - Functional															
<i>Governance and administration</i>	23 381	6 092	6 685	6 621	9 623	6 751	6 259	6 689	11 521	6 629	6 775	8 393	105 419	113 618	123 818
Executive and council	4 523	1 295	1 295	1 295	4 523	1 295	1 295	1 295	4 523	1 295	1 295	1 261	25 190	27 645	29 808
Finance and administration	18 858	4 797	5 390	5 326	5 100	5 456	4 964	5 394	6 999	5 334	5 480	7 132	80 229	85 973	94 010
<i>Community and public safety</i>	5 112	2 399	2 056	2 068	5 588	2 349	1 999	1 740	5 318	1 779	2 095	2 067	34 571	33 680	55 279
Community and social services	1 188	367	390	400	1 202	382	395	365	1 223	367	367	376	7 023	7 227	8 687
Sport and recreation	253	981	615	617	714	916	553	323	423	360	677	666	7 098	6 453	6 492
Housing	3 672	1 051	1 051	1 051	3 672	1 051	1 051	1 051	3 672	1 051	1 051	1 024	20 450	20 000	40 100
<i>Economic and environmental services</i>	1 119	972	1 081	791	924	1 188	1 158	1 323	1 162	809	836	1 368	12 731	13 297	14 231
Planning and development	30	130	77	81	90	117	75	38	35	43	85	73	874	954	1 042
Road transport	1 089	841	1 003	710	834	1 071	1 083	1 285	1 127	766	751	1 295	11 857	12 343	13 190
<i>Trading services</i>	12 589	13 120	13 592	13 344	12 628	13 937	11 754	12 514	13 041	12 909	13 742	10 845	154 014	164 320	178 611
Energy sources	8 660	9 133	9 537	9 326	8 485	9 426	7 627	8 212	8 641	8 623	9 507	7 261	104 438	110 894	121 039
Water management	1 854	1 904	1 941	1 921	2 004	2 277	2 096	2 232	2 333	2 137	2 139	1 505	24 344	26 205	28 207
Waste water management	771	779	810	793	835	929	687	755	763	845	792	748	9 508	10 266	11 083
Waste management	1 304	1 304	1 304	1 304	1 303	1 303	1 345	1 314	1 304	1 304	1 304	1 330	15 723	16 955	18 282
Total Revenue - Functional	42 201	22 583	23 414	22 824	28 762	24 225	21 171	22 265	31 042	22 126	23 448	22 673	306 734	324 915	371 939
Expenditure - Functional															
<i>Governance and administration</i>	6 163	6 688	6 726	7 710	9 026	8 418	7 055	7 423	7 159	8 229	7 834	7 166	89 598	93 253	97 217
Executive and council	1 008	1 076	1 087	1 215	1 257	1 319	1 089	1 368	1 164	1 305	1 258	1 238	14 383	14 834	15 679
Finance and administration	5 067	5 498	5 517	6 336	7 606	6 941	5 829	5 924	5 863	6 784	6 423	5 841	73 628	76 741	79 767
Internal audit	88	114	123	159	163	158	138	131	131	141	153	88	1 587	1 678	1 770
<i>Community and public safety</i>	3 182	3 277	3 161	3 663	4 477	4 611	3 004	3 547	3 597	4 587	3 910	4 302	45 318	45 815	68 562
Community and social services	1 001	902	906	988	1 466	1 006	1 020	949	1 070	1 011	984	912	12 217	12 856	14 706
Sport and recreation	779	820	818	918	1 211	990	894	875	865	988	929	869	10 956	11 154	11 834
Housing	1 402	1 554	1 437	1 756	1 799	2 615	1 090	1 723	1 662	2 588	1 997	2 522	22 145	21 804	42 022
<i>Economic and environmental services</i>	2 740	2 991	3 043	3 488	4 168	3 633	3 313	3 219	3 199	3 520	3 473	2 921	39 708	41 407	43 523
Planning and development	585	659	681	807	988	814	773	722	719	776	791	592	8 908	8 772	9 017
Road transport	2 156	2 332	2 362	2 682	3 180	2 819	2 539	2 497	2 480	2 743	2 682	2 329	30 800	32 635	34 506
<i>Trading services</i>	10 453	10 738	10 754	11 327	12 124	11 801	10 912	11 029	11 003	11 674	11 402	11 080	134 297	140 687	147 626
Energy sources	7 242	7 250	7 255	7 334	7 599	7 410	7 305	7 289	7 299	7 401	7 347	7 355	88 085	92 566	97 278
Water management	1 226	1 273	1 253	1 380	1 758	1 548	1 308	1 344	1 327	1 556	1 420	1 440	16 834	17 501	18 412
Waste water management	765	786	772	838	1 064	941	799	824	814	950	864	895	10 311	10 776	11 270
Waste management	1 221	1 429	1 475	1 775	1 703	1 903	1 499	1 571	1 565	1 766	1 771	1 391	19 067	19 844	20 666
Total Expenditure - Functional	22 539	23 694	23 685	26 188	29 794	28 462	24 284	25 217	24 959	28 010	26 620	25 470	308 922	321 162	356 928
Surplus/(Deficit)	19 663	(1 111)	(270)	(3 364)	(1 032)	(4 237)	(3 113)	(2 952)	6 083	(5 884)	(3 172)	(2 797)	(2 187)	3 753	15 011

Table 5 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

Description R thousand	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Multi-year expenditure to be appropriated</u>															
Vote 4 - Management Services	5	19	49	37	16	63	7	60	146	52	58	140	650	1 770	640
Vote 5 - Engineering Services	5	19	49	37	16	63	7	60	146	52	58	140	650	1 350	900
Capital multi-year expenditure sub-total	9	38	97	75	31	125	14	119	292	103	116	279	1 300	3 120	1 540
<u>Single-year expenditure to be appropriated</u>															
Vote 1 - Executive and Council	6	25	64	49	21	82	9	79	192	68	76	184	855	38	–
Vote 2 - Financial Services & ICT	18	73	188	144	61	241	27	230	563	199	224	538	2 505	1 220	878
Vote 4 - Management Services	21	86	222	171	72	285	32	272	666	235	265	637	2 964	3 682	1 812
Vote 5 - Engineering Services	144	583	1 501	1 155	486	1 929	215	1 842	4 501	1 589	1 790	4 307	20 042	21 622	24 974
Capital single-year expenditure sub-total	190	768	1 974	1 519	639	2 537	282	2 423	5 922	2 090	2 355	5 666	26 365	26 562	27 663
Total Capital Expenditure	199	805	2 071	1 594	670	2 663	296	2 542	6 214	2 193	2 471	5 945	27 665	29 682	29 203

Table 6 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

Description R thousand	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital Expenditure - Functional															
<i>Governance and administration</i>	21	86	222	171	72	285	32	272	665	235	265	637	2 962	2 062	1 104
Executive and council	2	7	19	15	6	24	3	23	57	20	23	55	254	–	–
Finance and administration	19	79	203	156	66	261	29	249	608	215	242	582	2 708	2 062	1 104
<i>Community and public safety</i>	23	92	237	182	77	305	34	291	711	251	283	680	3 164	4 001	1 310
Community and social services	2	9	23	17	7	29	3	28	68	24	27	65	303	151	–
Sport and recreation	21	83	214	165	69	275	31	263	643	227	256	615	2 861	3 850	1 310
<i>Economic and environmental services</i>	93	374	963	741	312	1 238	138	1 182	2 888	1 020	1 149	2 764	12 859	16 820	16 076
Planning and development	4	16	40	31	13	52	6	50	121	43	48	116	539	7	–
Road transport	89	359	922	710	298	1 186	132	1 132	2 767	977	1 100	2 648	12 320	16 813	16 076
<i>Trading services</i>	62	253	650	500	210	835	93	798	1 950	688	775	1 865	8 680	6 800	10 713
Energy sources	18	74	191	147	62	245	27	234	572	202	228	548	2 548	3 993	7 000
Water management	23	95	244	188	79	313	35	299	731	258	291	700	3 255	2 807	1 450
Waste water management	6	26	66	51	21	84	9	81	197	70	78	189	877	–	2 263
Waste management	14	58	150	115	48	192	21	184	449	159	179	430	2 000	–	–
Total Capital Expenditure - Functional	199	805	2 071	1 594	670	2 663	296	2 542	6 214	2 193	2 471	5 945	27 665	29 682	29 203
Funded by:															
National Government	87	353	907	698	293	1 165	130	1 113	2 719	960	1 082	2 602	12 108	13 001	18 264
Provincial Government	6	25	65	50	21	83	9	79	193	68	77	185	862	–	–
Transfers recognised - capital	93	378	971	747	314	1 248	139	1 192	2 913	1 028	1 158	2 787	12 969	13 001	18 264
Borrowing	41	165	424	326	137	545	61	520	1 271	449	506	1 217	5 661	6 983	2 150
Internally generated funds	65	263	676	521	219	870	97	830	2 029	716	807	1 942	9 034	9 699	8 789
Total Capital Funding	199	805	2 071	1 594	670	2 663	296	2 542	6 214	2 193	2 471	5 945	27 665	29 682	29 203

Table 7 MBRR SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand															
Cash Receipts By Source													1		
Property rates	3 690	3 690	17 394	3 690	3 690	3 690	3 690	3 690	3 690	3 690	3 690	3 690	57 979	62 606	68 285
Service charges - electricity revenue	8 329	8 750	9 110	8 921	8 137	8 979	7 323	7 825	8 126	8 230	9 067	6 792	99 589	104 567	109 795
Service charges - water revenue	1 787	1 835	1 871	1 851	1 932	2 195	2 021	2 152	2 249	2 060	2 062	1 451	23 466	25 259	27 189
Service charges - sanitation revenue	743	748	779	762	803	893	660	727	735	814	762	719	9 145	9 875	10 663
Service charges - refuse revenue	1 257	1 257	1 257	1 257	1 256	1 257	1 296	1 267	1 257	1 257	1 257	1 283	15 158	16 345	17 624
Rental of facilities and equipment	77	106	282	392	133	159	394	76	113	117	70	63	1 982	1 929	1 954
Interest earned - external investments	52	144	169	168	175	75	237	190	172	241	279	157	2 060	2 215	2 381
Interest earned - outstanding debtors	120	120	120	120	120	120	120	120	120	120	120	120	1 442	1 568	1 711
Fines, penalties and forfeits	249	208	246	122	200	258	304	328	263	186	171	329	2 864	3 078	3 308
Licences and permits	5	4	5	7	5	5	5	5	5	5	5	5	61	65	69
Agency services	242	163	202	305	144	232	99	222	234	157	190	229	2 419	2 514	2 624
Transfer receipts - operational	18 378	—	—	—	18 378	—	—	—	18 378	—	—	—	55 134	57 206	81 879
Other revenue	237	1 202	696	710	814	1 066	665	312	284	368	766	649	7 769	8 259	8 438
Cash Receipts by Source	35 165	18 227	32 131	18 305	35 785	18 930	16 814	16 914	35 626	17 244	18 438	15 488	279 066	295 487	335 920
Other Cash Flows by Source															
Transfer receipts - capital	4 090	—	—	—	4 090	—	—	—	4 090	—	—	—	12 269	13 001	18 264
Proceeds on disposal of PPE	—	—	—	—	—	—	—	—	—	—	—	500	500	1 250	1 500
Borrowing long term/refinancing	—	—	—	—	—	—	—	—	—	—	5 661	—	5 661	6 983	2 150
Increase (decrease) in consumer deposits	16	16	16	16	16	16	16	16	16	16	16	16	188	197	206
Decrease (increase) in non-current debtors	2	2	2	2	2	2	2	2	2	2	2	2	27	27	27
Total Cash Receipts by Source	39 273	18 245	32 149	18 323	39 893	18 948	16 832	16 932	39 734	17 262	24 117	16 006	297 711	316 944	358 067
Cash Payments by Type															
Employee related costs	8 767	8 767	8 767	8 767	17 535	8 767	8 767	8 767	8 767	8 767	8 767	8 767	113 976	120 134	127 285
Remuneration of councillors	407	395	401	401	401	401	401	625	429	429	429	429	5 145	5 531	5 945
Finance charges	—	—	—	—	—	364	—	—	—	—	—	364	727	751	790
Bulk purchases - Electricity	6 365	6 355	6 371	6 381	6 351	6 374	6 364	6 353	6 373	6 350	6 375	6 374	76 386	80 141	83 264
Bulk purchases - Water & Sewer	15	15	15	15	15	15	15	15	15	15	15	15	180	189	196
Other materials	2 447	2 732	2 506	3 097	3 065	4 739	1 806	3 042	2 927	4 683	3 558	4 591	39 193	39 103	59 476
Contracted services	381	1 113	1 411	2 467	1 273	2 445	1 481	1 575	1 734	1 762	2 285	253	18 181	17 396	17 251
Transfers and grants - other	222	222	222	222	222	222	222	222	222	222	222	316	2 763	2 685	2 760
Other expenditure	1 303	1 455	1 335	1 649	1 632	2 524	962	1 620	1 559	2 494	1 895	2 445	20 874	21 584	22 241
Cash Payments by Type	19 909	21 056	21 029	22 999	30 494	25 851	20 018	22 219	22 026	24 723	23 547	23 554	277 426	287 514	319 210
Other Cash Flows/Payments by Type															
Capital assets	199	805	2 071	1 594	670	2 663	296	2 542	6 214	2 193	2 471	5 945	27 665	29 682	29 203
Repayment of borrowing	—	—	—	—	—	1 120	—	—	—	—	—	1 120	2 240	3 189	2 981
Total Cash Payments by Type	20 108	21 861	23 101	24 593	31 164	29 634	20 314	24 762	28 240	26 916	26 019	30 619	307 331	320 385	351 394
NET INCREASE/(DECREASE) IN CASH HELD	19 165	(3 616)	9 048	(6 271)	8 729	(10 686)	(3 482)	(7 830)	11 494	(9 654)	(1 902)	(14 614)	(9 619)	(3 441)	6 673
Cash/cash equivalents at the monthly/year begin:	16 035	35 199	31 583	40 631	34 361	43 089	32 403	28 921	21 091	32 585	22 931	21 029	16 035	6 415	2 975
Cash/cash equivalents at the monthly/year end:	35 199	31 583	40 631	34 361	43 089	32 403	28 921	21 091	32 585	22 931	21 029	6 415	6 415	2 975	9 648

2.10 Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

Schedule SA35 is not applicable at the municipality.

2.11 Capital expenditure details

The following four tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets, then the upgrading of assets, then the repair and maintenance of assets and finally the depreciation per asset class.

MBRR SA34a - Capital expenditure on new assets by asset class

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>				
<u>Infrastructure</u>	4 289	6 684	11 143	17 451
Roads Infrastructure	200	200	200	200
<i>Roads</i>	200	–	–	–
<i>Road Furniture</i>	–	200	200	200
Storm water Infrastructure	–	5 384	8 558	9 251
<i>Storm water Conveyance</i>	–	5 384	8 558	9 251
Electrical Infrastructure	1 712	1 100	2 385	7 000
<i>LV Networks</i>	1 712	1 100	2 385	7 000
Water Supply Infrastructure	2 377	–	–	–
<i>Boreholes</i>	1 500	–	–	–
<i>Reservoirs</i>	727	–	–	–
<i>Water Treatment Works</i>	150	–	–	–
Sanitation Infrastructure	–	–	–	1 000
<i>Reticulation</i>	–	–	–	1 000
<u>Community Assets</u>	954	1 554	1 520	650
Community Facilities	954	770	270	150
<i>Libraries</i>	4	–	–	–
<i>Cemeteries/Crematoria</i>	–	120	120	–
<i>Public Open Space</i>	–	150	150	150
<i>Public Ablution Facilities</i>	950	–	–	–
<i>Markets</i>	–	500	–	–
Sport and Recreation Facilities	–	784	1 250	500
<i>Outdoor Facilities</i>	–	784	1 250	500
<u>Other assets</u>	150	95	95	–
Operational Buildings	150	95	95	–
<i>Municipal Offices</i>	150	95	95	–
<u>Intangible Assets</u>	7	8	–	–
Licences and Rights	7	8	–	–
<i>Computer Software and Applications</i>	7	8	–	–
<u>Computer Equipment</u>	1 111	213	462	595
Computer Equipment	1 111	213	462	595
<u>Furniture and Office Equipment</u>	454	166	44	45
Furniture and Office Equipment	454	166	44	45
<u>Machinery and Equipment</u>	490	459	348	330
Machinery and Equipment	490	459	348	330
<u>Transport Assets</u>	200	400	1 250	–
Transport Assets	200	400	1 250	–
Total Capital Expenditure on new assets	7 654	9 579	14 862	19 071

MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
Capital expenditure on renewal of existing assets by Asset Class/Sub-class				
Infrastructure	3 244	3 137	2 450	2 313
Roads Infrastructure	750	200	1 100	1 100
<i>Roads</i>	750	200	1 100	1 100
Water Supply Infrastructure	915	2 060	1 350	950
<i>Boreholes</i>	207	350	450	–
<i>Reservoirs</i>	–	300	–	–
<i>Water Treatment Works</i>	–	10	–	–
<i>Bulk Mains</i>	300	1 400	900	950
<i>Distribution</i>	408	–	–	–
Sanitation Infrastructure	1 580	877	–	263
<i>Waste Water Treatment Works</i>	1 580	877	–	263
Community Assets	–	350	–	–
Community Facilities	–	350	–	–
<i>Halls</i>	–	100	–	–
<i>Public Open Space</i>	–	250	–	–
Other assets	400	–	–	–
Operational Buildings	400	–	–	–
<i>Municipal Offices</i>	120	–	–	–
<i>Stores</i>	280	–	–	–
Computer Equipment	114	134	168	180
Computer Equipment	114	134	168	180
Furniture and Office Equipment	198	193	157	120
Furniture and Office Equipment	198	193	157	120
Machinery and Equipment	503	2 152	847	27
Machinery and Equipment	503	2 152	847	27
Transport Assets	–	250	625	1 500
Transport Assets	–	250	625	1 500
Total Capital Expenditure on renewal of existing assets	4 460	6 215	4 247	4 140

MBRR SA34e - Capital expenditure on the upgrading of existing assets by asset class

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
<u>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</u>				
<u>Infrastructure</u>	9 583	7 873	6 658	4 350
Roads Infrastructure	6 585	5 613	4 650	3 700
<i>Roads</i>	5 985	4 313	3 350	2 400
<i>Road Furniture</i>	600	1 300	1 300	1 300
Storm water Infrastructure	700	500	650	650
<i>Storm water Conveyance</i>	700	500	650	650
Electrical Infrastructure	1 829	1 311	1 358	–
<i>MV Networks</i>	1 729	365	365	–
<i>LV Networks</i>	100	946	993	–
Water Supply Infrastructure	469	100	–	–
<i>Water Treatment Works</i>	469	100	–	–
Solid Waste Infrastructure	–	350	–	–
<i>Waste Drop-off Points</i>	–	350	–	–
<u>Community Assets</u>	1 822	1 644	3 300	1 540
Community Facilities	1 772	289	2 330	1 100
<i>Halls</i>	1 347	–	–	–
<i>Clinics/Care Centres</i>	–	–	800	200
<i>Testing Stations</i>	–	–	230	800
<i>Libraries</i>	352	159	–	–
<i>Public Open Space</i>	–	100	100	100
<i>Public Ablution Facilities</i>	72	30	1 200	–
Sport and Recreation Facilities	50	1 355	970	440
<i>Indoor Facilities</i>	50	700	–	–
<i>Outdoor Facilities</i>	–	655	970	440
<u>Other assets</u>	–	45	–	–
Operational Buildings	–	45	–	–
<i>Municipal Offices</i>	–	45	–	–
<u>Intangible Assets</u>	140	1 176	–	–
Licences and Rights	140	1 176	–	–
<i>Computer Software and Applications</i>	140	1 176	–	–
<u>Computer Equipment</u>	274	957	521	103
Computer Equipment	274	957	521	103
<u>Furniture and Office Equipment</u>	92	60	55	–
Furniture and Office Equipment	92	60	55	–
<u>Machinery and Equipment</u>	228	115	40	–
Machinery and Equipment	228	115	40	–
Total Capital Expenditure on upgrading of existing assets	12 139	11 870	10 574	5 993

MBRR SA34c - Repairs and maintenance expenditure by asset class

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>				
<u>Infrastructure</u>	10 282	36 180	38 238	40 429
Roads Infrastructure	3 634	10 970	11 635	12 344
<i>Roads</i>	3 394	10 720	11 372	12 068
<i>Road Furniture</i>	240	250	263	276
Electrical Infrastructure	1 429	7 650	8 067	8 510
<i>LV Networks</i>	1 429	7 650	8 067	8 510
Water Supply Infrastructure	1 975	9 219	9 742	10 299
<i>Distribution</i>	1 975	9 219	9 742	10 299
Sanitation Infrastructure	2 010	6 424	6 769	7 136
<i>Reticulation</i>	2 010	6 424	6 769	7 136
Solid Waste Infrastructure	1 234	1 918	2 026	2 140
<i>Landfill Sites</i>	1 234	1 918	2 026	2 140
<u>Community Assets</u>	5 903	8 616	9 151	9 724
Community Facilities	4 111	4 377	4 652	4 957
<i>Cemeteries/Crematoria</i>	583	656	698	744
<i>Public Open Space</i>	3 528	3 721	3 954	4 213
Sport and Recreation Facilities	1 792	4 240	4 499	4 767
<i>Outdoor Facilities</i>	1 792	4 240	4 499	4 767
<u>Other assets</u>	4 184	4 511	4 407	4 672
Operational Buildings	4 184	4 511	4 407	4 672
<i>Municipal Offices</i>	4 184	4 511	4 407	4 672
<u>Intangible Assets</u>	2 660	3 128	3 206	3 432
Licences and Rights	2 660	3 128	3 206	3 432
<i>Computer Software and Applications</i>	2 660	3 128	3 206	3 432
<u>Computer Equipment</u>	90	68	72	75
Computer Equipment	90	68	72	75
<u>Furniture and Office Equipment</u>	165	91	95	100
Furniture and Office Equipment	165	91	95	100
<u>Machinery and Equipment</u>	674	620	572	601
Machinery and Equipment	674	620	572	601
<u>Transport Assets</u>	3 351	3 478	3 640	3 850
Transport Assets	3 351	3 478	3 640	3 850
Total Repairs and Maintenance Expenditure	27 310	56 693	59 381	62 884

MBRR SA34d - Depreciation by asset class

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
<u>Depreciation by Asset Class/Sub-class</u>				
<u>Infrastructure</u>	8 283	8 428	8 578	8 735
Roads Infrastructure	1 198	1 198	1 198	1 198
<i>Roads</i>	1 114	1 114	1 114	1 114
<i>Road Structures</i>	16	16	16	16
<i>Road Furniture</i>	68	68	68	68
Storm water Infrastructure	544	544	544	544
<i>Drainage Collection</i>	350	350	350	350
<i>Storm water Conveyance</i>	194	194	194	194
Electrical Infrastructure	1 351	1 433	1 518	1 606
<i>MV Substations</i>	135	143	151	160
<i>MV Networks</i>	467	496	525	555
<i>LV Networks</i>	749	795	842	890
Water Supply Infrastructure	1 084	1 084	1 084	1 084
<i>Dams and Weirs</i>	34	34	34	34
<i>Boreholes</i>	126	126	126	126
<i>Reservoirs</i>	285	285	285	285
<i>Pump Stations</i>	42	42	42	42
<i>Water Treatment Works</i>	107	107	107	107
<i>Bulk Mains</i>	37	37	37	37
<i>Distribution</i>	454	454	454	454
Sanitation Infrastructure	1 575	1 575	1 575	1 575
<i>Pump Station</i>	479	479	479	479
<i>Reticulation</i>	406	406	406	406
<i>Waste Water Treatment Works</i>	674	674	674	674
<i>Outfall Sewers</i>	1	1	1	1
<i>Toilet Facilities</i>	15	15	15	15
Solid Waste Infrastructure	2 530	2 592	2 658	2 727
<i>Landfill Sites</i>	2 530	2 592	2 658	2 727
<u>Community Assets</u>	219	243	243	243
Community Facilities	148	165	165	165
<i>Halls</i>	77	86	86	86
<i>Clinics/Care Centres</i>	1	1	1	1
<i>Libraries</i>	54	60	60	60
<i>Cemeteries/Crematoria</i>	1	1	1	1
<i>Public Open Space</i>	15	17	17	17
Sport and Recreation Facilities	70	78	78	78
<i>Outdoor Facilities</i>	70	78	78	78
<u>Investment properties</u>	7	8	8	8
Revenue Generating	7	8	8	8
<i>Improved Property</i>	7	8	8	8
<u>Other assets</u>	396	440	440	440
Operational Buildings	396	440	440	440
<i>Municipal Offices</i>	396	440	440	440
<u>Intangible Assets</u>	158	293	293	293
Licences and Rights	158	293	293	293
<i>Computer Software and Applications</i>	158	293	293	293
<u>Computer Equipment</u>	287	319	319	319
Computer Equipment	287	319	319	319
<u>Furniture and Office Equipment</u>	597	663	663	663
Furniture and Office Equipment	597	663	663	663
<u>Machinery and Equipment</u>	252	280	280	280
Machinery and Equipment	252	280	280	280
<u>Transport Assets</u>	689	766	766	766
Transport Assets	689	766	766	766
Total Depreciation	10 888	11 440	11 590	11 747

MBRR SA35 - Future financial implications of the capital budget

No future implications identified on the capital budget beyond the MTREF period.

MBRR SA36 - Detailed capital budget per municipal vote

Municipal Vote/Capital project R thousand	Program/Project description	Project number	IDP Goal code	Asset Class	Asset Sub-Class	Current Year 2016/17 Full Year Forecast	2017/18 Medium Term Revenue & Expenditure Framework			Project information	
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location	New or renewal
Vote 5 - Engineering Services	WC033_Agulhas Water Disinfection	511145720005	KPA5/SG5/SO8	Water Supply Infrastructure	Water Treatment Works	150	-	-	-	Agulhas	N
Vote 5 - Engineering Services	WC033_SECURE BOREHOLES (KAM AREA)	511150200011	KPA5/SG5/SO8	Water Supply Infrastructure	Boreholes	200	200	-	-	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_7 INSTALL COVER PLATE	511145720012	KPA5/SG5/SO8	Water Supply Infrastructure	Boreholes	7	-	-	-	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Stormwater - Master pl -Napier	511150500003	KPA5/SG5/SO8	Storm water Infrastructure	Storm water Conveyance	100		150	150	Napier	U
Vote 5 - Engineering Services	WC033_Storm Water Master pl - SBay	511150500004	KPA5/SG5/SO8	Storm water Infrastructure	Storm water Conveyance	200	200	200	200	Struisbaai	U
Vote 5 - Engineering Services	WC033_Stormwater Master pl - Bdorp	511150500005	KPA5/SG5/SO8	Storm water Infrastructure	Storm water Conveyance	200	100	100	100	Bredasdorp	U
Vote 5 - Engineering Services	WC033_Stormwater Master pl - Agulhas	511150500006	KPA5/SG5/SO8	Storm water Infrastructure	Storm water Conveyance	200	200	200	200	Agulhas	U
Vote 5 - Engineering Services	WC033_Pavement Management System PMS	511150500007	KPA5/SG5/SO8	Roads Infrastructure	Road Furniture	200	-	-	-	Whole of Municipality	U
Vote 5 - Engineering Services	WC033_Upgrade Road to Landfill Site Bredasdorp to Struisbaai	521150500030	KPA5/SG5/SO8	Roads Infrastructure	Roads	-	-	800	-	Bredasdorp	U
Vote 5 - Engineering Services	WC033_SIDEWALKS SBAA/LA	511150500009	KPA5/SG5/SO8	Roads Infrastructure	Road Furniture	400	500	500	500	Agulhas	U
Vote 5 - Engineering Services	WC033_Nuwerus Streets - Adam Street	523150500014	KPA5/SG5/SO8	Roads Infrastructure	Roads	-	1 247	-	-	Napier	U
Vote 5 - Engineering Services	WC033_Stormwater pipeline - Area F	523150500015	KPA5/SG5/SO8	Storm water Infrastructure	Storm water Conveyance		5 184	8 358	9 251	Bredasdorp	N
Vote 5 - Engineering Services	WC033_Klipdale Roads	523150500016	KPA5/SG5/SO8	Roads Infrastructure	Roads		-	200	200	Klipdale	U
Vote 5 - Engineering Services	WC033_Protem Roads	523150500016	KPA5/SG5/SO8	Roads Infrastructure	Roads		-	200	200	Protem	U
Vote 5 - Engineering Services	WC033_Sidewalks Long Street (B/Dorp)	521150500015	KPA5/SG5/SO8	Roads Infrastructure	Road Furniture	-	400	400	400	Bredasdorp	U
Vote 5 - Engineering Services	WC033_Sidewalks - Bredasdorp (Wards)	521150500016	KPA5/SG5/SO8	Roads Infrastructure	Road Furniture		400	400	400	Bredasdorp	U
Vote 5 - Engineering Services	WC033_Tip Truck	511650500025	KPA5/SG5/SO8	Transport Assets	Transport Assets	-	-	1 000	-	Whole of Municipality	N
Vote 5 - Engineering Services	WC033_Furniture (Manager & Supervisor)	511650500026	KPA5/SG5/SO8	Furniture and Office Equipment	Furniture and Office Equipment	-	25	15	10	Bredasdorp	R
Vote 5 - Engineering Services	WC033_Speed Bumps CAM (3 per ward)	511150500016	KPA5/SG5/SO8	Roads Infrastructure	Road Furniture	-	200	200	200	Bredasdorp	N
Vote 5 - Engineering Services	WC033_3 x Plate Compactors	511650500017	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	-	45	-	-	Whole of Municipality	N
Vote 5 - Engineering Services	WC033_2 x Jackhammers Heavy Duty	511650500018	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	-	45	-	-	Whole of Municipality	N
Vote 5 - Engineering Services	WC033_Upgrade Roads in Napier	521150500019	KPA5/SG5/SO8	Roads Infrastructure	Roads	-	-	500	500	Napier	U
Vote 5 - Engineering Services	WC033_Upgrade Wouter Street in Napier	521150500027	KPA5/SG5/SO8	Roads Infrastructure	Roads	-	-	500	500	Napier	U
Vote 5 - Engineering Services	WC033_Industrial Road Struisbaai	521150500020	KPA5/SG5/SO8	Roads Infrastructure	Roads	-	750	150		Struisbaai	U
Vote 5 - Engineering Services	WC033_Ou Meule Link to Swellendam Road (B/dorp)	523150500021	KPA5/SG5/SO8	Roads Infrastructure	Roads	-	1 316	-	-	Bredasdorp	U
Vote 5 - Engineering Services	WC033_Kerbs Ou Meule street (B/Dorp)	511150500022	KPA5/SG5/SO8	Storm water Infrastructure	Storm water Conveyance	-	200	200	-	Bredasdorp	N
Vote 5 - Engineering Services	WC033_Roadmarking Spray Cart	511650500029	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	-	-	-	250	Whole of Municipality	N
Vote 5 - Engineering Services	WC033_Street Lights - New	511150610005	KPA5/SG5/SO8	Electrical Infrastructure	LV Networks	100	150	150	-	Whole of Municipality	U
Vote 5 - Engineering Services	WC033_Electrification - Informal Set	511150600006	KPA5/SG5/SO8	Electrical Infrastructure	LV Networks	100	100	100	-	Whole of Municipality	N
Vote 3 - Corporate Services	WC033_CORAL DRAW SOFTWARE	511435410018	KPA2/SG2/SO3	Intangible Assets	Computer Software and Applications	7	-	-	-	Whole of Municipality	N
Vote 3 - Corporate Services	WC033_Software appl(over time-Samras)	511435420002	KPA2/SG2/SO3	Intangible Assets	Computer Software and Applications	140	-	-	-	Whole of Municipality	U
Vote 1 - Executive and Council	WC033_Cabinet/Cupboard	511620100001	KPA1/SG1/SO2	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_Desktop Filing Cabinet	511620100002	KPA1/SG1/SO2	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	Whole of Municipality	N

Municipal Vote/Capital project	Program/Project description	Project number	IDP Goal code	Asset Class	Asset Sub-Class	Current Year 2016/17 Full Year Forecast	2017/18 Medium Term Revenue & Expenditure Framework			Project information	
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location	New or renewal
R thousand											
Vote 1 - Executive and Council	WC033_CAMERA	511620100003	KPA1/SG1/SO2	Furniture and Office Equipment	Furniture and Office Equipment	5	-	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_CHAIRS (3)	511620100004	KPA1/SG1/SO2	Furniture and Office Equipment	Furniture and Office Equipment	9	-	-	-	Whole of Municipality	R
Vote 1 - Executive and Council	WC033_PA SOUND SYSTEM	511620100005	KPA1/SG1/SO2	Furniture and Office Equipment	Furniture and Office Equipment	30	-	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_Vehicle (LDV) with canopy	512620100006	KPA1/SG1/SO2	Transport Assets	Transport Assets	-	220	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_Collab Ward Committee Management Module	511220100007	KPA1/SG1/SO2	Intangible Assets	Computer Software and Applications	-	26	-	-	Whole of Municipality	U
Vote 1 - Executive and Council	WC033_Coreldraw software	511620100008	KPA1/SG1/SO2	Intangible Assets	Computer Software and Applications	-	8	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_2 door Sliding Door Credenzas	511625170001	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	3	-	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_Cupboard with Shelves	511625170002	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_2 Mobile Pedestals with 3 draw	511625170003	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	3	-	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_Desk	511625170004	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	Whole of Municipality	R
Vote 1 - Executive and Council	WC033_Flipchart Easel	511625210007	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	1	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_Guillotine (heavy duty)	511625210008	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	-	7	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_Pull-up banners X6	511625210009	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	6	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_Backdrop	511625210010	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	1	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_Photographic lights	511625210011	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	10	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_Voice Recording device	511625210012	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	6	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_Camera Tripod	511625210011	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	3	-	-	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_2 Door Cupboard with Shelves	511625180001	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	Whole of Municipality	N
Vote 2 - Financial Services & ICT	WC033_Meter Reading Equipment	511630310001	KPA4/SG4/SO6	Machinery and Equipment	Machinery and Equipment	241	-	-	-	Whole of Municipality	R
Vote 2 - Financial Services & ICT	WC033_DESK CALCULATOR	511630310003	KPA4/SG4/SO6	Furniture and Office Equipment	Furniture and Office Equipment	3	-	-	-	Whole of Municipality	R
Vote 2 - Financial Services & ICT	WC033_Office Chairs (x2)	511630200004	KPA4/SG4/SO6	Furniture and Office Equipment	Furniture and Office Equipment	-	4	-	-	Whole of Municipality	R
Vote 2 - Financial Services & ICT	WC033_Hinged Door System Cupboard	511630340001	KPA4/SG4/SO6	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	Whole of Municipality	N
Vote 2 - Financial Services & ICT	WC033_2 in 1 Folding Nose trolley 225	511630340002	KPA4/SG4/SO6	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	Whole of Municipality	N
Vote 2 - Financial Services & ICT	WC033_Fridge	511630340003	KPA4/SG4/SO6	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	Whole of Municipality	N
Vote 2 - Financial Services & ICT	WC033_Heavy Duty Highback chair	511630500004	KPA4/SG4/SO6	Furniture and Office Equipment	Furniture and Office Equipment	-	4	-	-	Whole of Municipality	R
Vote 2 - Financial Services & ICT	WC033_Oak Melamine hinged door cupboard 900x450x1500h (3shelves)	511630500005	KPA4/SG4/SO6	Furniture and Office Equipment	Furniture and Office Equipment	-	3	-	-	Whole of Municipality	R
Vote 2 - Financial Services & ICT	WC033_New PC's	511630600001	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	44	-	42	45	Whole of Municipality	N
Vote 3 - Corporate Services	WC033_Laminating Machine	511635410004	KPA2/SG2/SO3	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	Whole of Municipality	U
Vote 2 - Financial Services & ICT	WC033_New Laptops	511630600005	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	83	203	75	80	Whole of Municipality	U
Vote 2 - Financial Services & ICT	WC033_UPS small (Offices)	511630600006	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	6	-	13	7	Whole of Municipality	U
Vote 2 - Financial Services & ICT	WC033_Projector	511630600007	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	6	7	-	-	Whole of Municipality	R
Vote 2 - Financial Services & ICT	WC033_External HDD	511630600009	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	3	6	2	2	Whole of Municipality	U
Vote 2 - Financial Services & ICT	WC033_Switch POE	511630600010	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	23	48	32	14	Whole of Municipality	U
Vote 2 - Financial Services & ICT	WC033_Server Cabinet	511630600013	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	12	-	12	-	Whole of Municipality	N
Vote 2 - Financial Services & ICT	WC033_Two Way Radios	511630600014	KPA2/SG2/SO3	Furniture and Office Equipment	Furniture and Office Equipment	59	11	11	-	Whole of Municipality	N
Vote 3 - Corporate Services	WC033_Generator Main Building	511635410016	KPA2/SG2/SO3	Machinery and Equipment	Machinery and Equipment	220	-	-	-	Bredasdorp	R
Vote 2 - Financial Services & ICT	WC033_Time & Attendance (Access Control) CRR	511630600017	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	500	200	150	-	Whole of Municipality	N
Vote 3 - Corporate Services	WC033_DESK	511635410019	KPA2/SG2/SO3	Furniture and Office Equipment	Furniture and Office Equipment	4	-	-	-	Whole of Municipality	R
Vote 3 - Corporate Services	WC033_CABINET	511635410020	KPA2/SG2/SO3	Furniture and Office Equipment	Furniture and Office Equipment	3	-	-	-	Whole of Municipality	N
Vote 3 - Corporate Services	WC033_Chair	511635420001	KPA2/SG2/SO3	Furniture and Office Equipment	Furniture and Office Equipment	3	-	-	-	Whole of Municipality	R
Vote 3 - Corporate Services	WC033_CHAIR	511635430001	KPA1/SG1/SO2	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	Whole of Municipality	R
Vote 3 - Corporate Services	WC033_SHEDDER	511635430002	KPA1/SG1/SO2	Furniture and Office Equipment	Furniture and Office Equipment	3	-	-	-	Whole of Municipality	R
Vote 1 - Executive and Council	WC033_Airconditioners (X2)	511625300003	KPA1/SG1/SO2	Furniture and Office Equipment	Furniture and Office Equipment	-	40	-	-	Whole of Municipality	N

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							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location	New or renewal
Vote 3 - Corporate Services	WC033_SHREDDER	511635440006	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	30	–	–	–	Whole of Municipality	R
Vote 3 - Corporate Services	WC033_2 x Steel Cabinets	511635450001	KPA5/SG5/SO10	Furniture and Office Equipment	Furniture and Office Equipment	5	–	–	–	Whole of Municipality	N
Vote 3 - Corporate Services	WC033_FILING CABINETS/SHELVES	511635450003	KPA5/SG5/SO10	Furniture and Office Equipment	Furniture and Office Equipment	5	–	–	–	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_Tablets (OVIOO Sytem updating)	511625230004	KPA5/SG5/SO10	Computer Equipment	Computer Equipment	–	13	–	–	Whole of Municipality	N
Vote 4 - Management Services	WC033_Zippels	511640200001	KPA6/SG6/SO12	Furniture and Office Equipment	Furniture and Office Equipment	91	60	40	–	Whole of Municipality	U
Vote 4 - Management Services	WC033_Motorfietsterusting: K53	511640200002	KPA6/SG6/SO12	Machinery and Equipment	Machinery and Equipment	–	15	–	–	Bredasdorp	U
Vote 4 - Management Services	WC033_Office chair - Back Support	511640520003	KPA6/SG6/SO12	Furniture and Office Equipment	Furniture and Office Equipment	3	–	–	–	Bredasdorp	R
Vote 4 - Management Services	WC033_18 Chairs - Reception Area	511640200004	KPA6/SG6/SO12	Furniture and Office Equipment	Furniture and Office Equipment	10	8	–	–	Bredasdorp	N
Vote 4 - Management Services	WC033_Furniture for Meeting Room	511640200005	KPA6/SG6/SO12	Furniture and Office Equipment	Furniture and Office Equipment	–	–	–	35	Bredasdorp	N
Vote 4 - Management Services	WC033_Camera - Erwe Law Enforcement	511640210001	KPA6/SG6/SO12	Machinery and Equipment	Machinery and Equipment	3	–	–	–	Bredasdorp	N
Vote 4 - Management Services	WC033_MOTOR VEHICLE K53 EQUIPMENT	511640540002	KPA6/SG6/SO12	Machinery and Equipment	Machinery and Equipment	30	–	–	–	Bredasdorp	U
Vote 4 - Management Services	WC033_TABLES	511640570001	KPA5/SG5/SO9	Furniture and Office Equipment	Furniture and Office Equipment	8	–	–	–	Bredasdorp	N
Vote 4 - Management Services	WC033_Office Equipment / Furniture	511640400002	KPA5/SG5/SO9	Furniture and Office Equipment	Furniture and Office Equipment	–	13	10	10	Bredasdorp	N
Vote 4 - Management Services	WC033_CARPET EXTRACTION UNIT	511640410002	KPA2/SG2/SO3	Machinery and Equipment	Machinery and Equipment	4	7	7	7	Bredasdorp	R
Vote 4 - Management Services	WC033_Furniture - Community Hall (Struisbay)	511640410003	KPA2/SG2/SO3	Furniture and Office Equipment	Furniture and Office Equipment	–	10	10	10	Bredasdorp	R
Vote 4 - Management Services	WC033_Safety Gates x3 Nedbank building	511640410004	KPA2/SG2/SO3	Other assets	Municipal Offices	–	–	15	–	Bredasdorp	N
Vote 4 - Management Services	WC033_Ceiling - Struisbay Community hall	511640410006	KPA2/SG2/SO3	Community Assets	Halls	–	100	–	–	Struisbaai	R
Vote 4 - Management Services	WC033_Airconditioners (Replacement) x3	521640410005	KPA2/SG2/SO3	Furniture and Office Equipment	Furniture and Office Equipment	–	34	–	–	Bredasdorp	R
Vote 4 - Management Services	WC033_Construction of New wing - ONS HUIS	512240410006	KPA2/SG2/SO3	Community Assets	Clinics/Care Centres	–	–	800	200	Bredasdorp	U
Vote 4 - Management Services	WC033_Furniture - Duiker Street	511640600002	KPA2/SG2/SO3	Machinery and Equipment	Machinery and Equipment	10	–	–	–	Struisbaai	R
Vote 4 - Management Services	WC033_Porta Potties - Resorts	511640600004	KPA2/SG2/SO3	Machinery and Equipment	Machinery and Equipment	60	–	–	–	Whole of Municipality	N
Vote 4 - Management Services	WC033_Struisbay Boardwalk (Move: Repair)	521240430006	KPA2/SG2/SO3	Community Assets	Public Open Space	–	250	–	–	Struisbaai	R
Vote 4 - Management Services	WC033_Upgrading of Ablution facilities (Resorts / Camping sites)	521240430007	KPA2/SG2/SO3	Community Assets	Outdoor Facilities	–	100	200	100	Whole of Municipality	U
Vote 4 - Management Services	WC033_Upgrading of Ablution facility (Wheelchair friendly) - Nostra	521240430008	KPA2/SG2/SO3	Community Assets	Public Ablution Facilities	–	30	–	–	Struisbaai	U
Vote 4 - Management Services	WC033_Upgrading of Large Tidel Pool	521640430009	KPA2/SG2/SO3	Community Assets	Outdoor Facilities	–	450	430	–	Agulhas	U
Vote 4 - Management Services	WC033_Upgrading of Small Tidel Pool	521640430013	KPA2/SG2/SO3	Community Assets	Outdoor Facilities	–	–	240	240	Agulhas	U
Vote 4 - Management Services	WC033_Furniture at Resorts	511640430010	KPA2/SG2/SO3	Furniture and Office Equipment	Furniture and Office Equipment	–	100	100	100	Whole of Municipality	R
Vote 4 - Management Services	WC033_KUDU 750 iwh Kohler 14hp Engine	511640430011	KPA2/SG2/SO3	Machinery and Equipment	Machinery and Equipment	–	–	40	–	Whole of Municipality	U
Vote 4 - Management Services	WC033_Ablution facility - Suiderstrand	511640430012	KPA2/SG2/SO3	Community Assets	Public Ablution Facilities	–	–	1 200	–	Suiderstrand	U
Vote 4 - Management Services	WC033_Safeguarding of Receptionist area (Waenhuiskrans)	511640430013	KPA2/SG2/SO3	Community Assets	Outdoor Facilities	–	105	–	–	Arniston	U
Vote 4 - Management Services	WC033_Safeguarding of Receptionist area (L Agulhas)	511640430014	KPA2/SG2/SO3	Community Assets	Outdoor Facilities	–	–	100	–	Agulhas	U
Vote 4 - Management Services	WC033_Safeguarding of Receptionist area (Struisbay)	511640430015	KPA2/SG2/SO3	Community Assets	Outdoor Facilities	–	–	–	100	Struisbaai	U
Vote 4 - Management Services	WC033_Fencing & Scrapping of new road - New Napier cemetery	511640440002	KPA5/SG5/SO9	Community Assets	Cemeteries/Crematoria	–	–	120	–	Napier	N
Vote 4 - Management Services	WC033_Fencing & Scrapping of new road - New Bredasdorp cemetery	511640440001	KPA5/SG5/SO9	Community Assets	Cemeteries/Crematoria	–	120	–	–	Bredasdorp	N
Vote 2 - Financial Services & ICT	WC033_Workshop tools	511630510001	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	13	15	–	–	Bredasdorp	N
Vote 5 - Engineering Services	WC033_2 x Post Lift	511645710002	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	51	–	–	–	Bredasdorp	N
Vote 5 - Engineering Services	WC033_Brakes Pressure Bleeder	511645710003	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	13	–	–	–	Bredasdorp	N
Vote 2 - Financial Services & ICT	WC033_MIG Welder	511630510004	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	–	25	–	–	Bredasdorp	N
Vote 2 - Financial Services & ICT	WC033_Heavy Duty Hot Water Steamcleaner 3 Phase	511630510005	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	–	–	58	–	Bredasdorp	N
Vote 5 - Engineering Services	WC033_SURVEILLANCE CAMERAS STORES	511645760001	KPA6/SG6/SO12	Machinery and Equipment	Machinery and Equipment	14	–	–	–	Bredasdorp	N
Vote 5 - Engineering Services	WC033_Upgrading of Drop-off loading areas - Landfill site	521150410002	KPA6/SG6/SO12	Solid Waste Infrastructure	Waste Drop-off Points	–	350	–	–	Whole of Municipality	U
Vote 5 - Engineering Services	WC033_Compactor Landfill Site	512650410003	KPA6/SG6/SO12	Machinery and Equipment	Machinery and Equipment	–	1 650	–	–	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Tools	511650600007	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	20	50	50	–	Whole of Municipality	N

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							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location	New or renewal
Vote 5 - Engineering Services	WC033_CABLE LOCATOR	511650600011	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	55	32	–	–	Whole of Municipality	N
Vote 5 - Engineering Services	WC033_OFFICE FURNITURE	511650600012	KPA5/SG5/SO8	Furniture and Office Equipment	Furniture and Office Equipment	2	23	–	–	Whole of Municipality	N
Vote 6 - Electricity	WC033_FIRE EXTINGUISHERS	511650800013	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	7	–	–	–	Whole of Municipality	N
Vote 5 - Engineering Services	WC033_Borehole Suiderstrand	512145720007	KPA5/SG5/SO8	Water Supply Infrastructure	Boreholes	500	–	–	–	Suiderstrand	N
Vote 5 - Engineering Services	WC033_Borehole No 1 - Bredasdorp	512150200008	KPA5/SG5/SO8	Water Supply Infrastructure	Boreholes			300		Bredasdorp	R
Vote 5 - Engineering Services	WC033_Replace pipework and valves L'Agulhas Reservoirs	512150220009	KPA5/SG5/SO8	Water Supply Infrastructure	Reservoirs		300			Agulhas	R
Vote 5 - Engineering Services	WC033_Replacement of Viljoensr Street Water Main Bredasdorp	512150200010	KPA5/SG5/SO8	Water Supply Infrastructure	Bulk Mains	–	800			Bredasdorp	R
Vote 5 - Engineering Services	WC033_Digger-loader	512150200011	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment			800		Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Replacement LDV CS15640	512150200012	KPA5/SG5/SO8	Transport Assets	Transport Assets			250		Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Replacement LDV CS15643	512150200013	KPA5/SG5/SO8	Transport Assets	Transport Assets		250			Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Replacement LDV CS4580	512150200014	KPA5/SG5/SO8	Transport Assets	Transport Assets				250	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Replacement LDV CS4591	512150200015	KPA5/SG5/SO8	Transport Assets	Transport Assets				250	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Relocate water main over erf 1353 Napier	512150200016	KPA5/SG5/SO8	Water Supply Infrastructure	Bulk Mains		600			Napier	R
Vote 5 - Engineering Services	WC033_Replace old Water Mains	512150200017	KPA5/SG5/SO8	Water Supply Infrastructure	Bulk Mains			600	650	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Borehole Napier	512145720008	KPA5/SG5/SO8	Water Supply Infrastructure	Boreholes	1 000	–	–	–	Napier	N
Vote 5 - Engineering Services	WC033_Airconditioners X2	511650200021	KPA5/SG5/SO8	Furniture and Office Equipment	Furniture and Office Equipment	–	–	32	–	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Kalk Dossier pump	511650200013	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	–	50	–	–	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Chloor Scale	511650200014	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	–	50	–	–	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Struisay Chloor Dos. System	511650200015	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	–	100	–	–	Struisbaai	U
Vote 5 - Engineering Services	WC033_Liquid Aluminium Dos. System Bredasdorp WTW	511650200016	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	–	200	–	–	Bredasdorp	N
Vote 5 - Engineering Services	WC033_Bakkie	512650200021	KPA5/SG5/SO8	Transport Assets	Transport Assets	–	–	375	–	Bredasdorp	R
Vote 5 - Engineering Services	WC033_Upgrade of Fence	512650210017	KPA5/SG5/SO8	Water Supply Infrastructure	Water Treatment Works	–	100	–	–	Bredasdorp	U
Vote 5 - Engineering Services	WC033_Office and Toilets @ Napier Treatment Plant	511650200018	KPA5/SG5/SO8	Other assets	Municipal Offices	–	95	–	–	Napier	N
Vote 5 - Engineering Services	WC033_Water Treatment Tools	511650210019	KPA5/SG5/SO8	Water Supply Infrastructure	Water Treatment Works	–	10	–	–	Bredasdorp	R
Vote 5 - Engineering Services	WC033_Instruments: PH meters, conductivity meter	511650200020	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	–	50	–	–	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Equipment for boreholes in Napier and Suiderstrand	511650200021	KPA5/SG5/SO8	Water Supply Infrastructure	Boreholes		150	150		Bredasdorp	R
Vote 5 - Engineering Services	WC033_2x Pipecutters	511650200022	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment		60			Whole of Municipality	R
Vote 5 - Engineering Services	WC033_3x Plate compactors	511650200023	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment		30			Whole of Municipality	R
Vote 5 - Engineering Services	WC033_3x Generators	511650200024	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment		30			Whole of Municipality	R
Vote 5 - Engineering Services	WC033_3x Waterpumps	511650200025	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment		30			Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Pipe Inspection Camera	511650200026	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment		100			Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Metal Detectors	511650200027	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment		50			Whole of Municipality	R
Vote 4 - Management Services	WC033_Cloakroom at Nelson Mand Hall	512240580001	KPA2/SG2/SO3	Community Assets	Halls	500	–	–	–	Bredasdorp	U
Vote 4 - Management Services	WC033_ABLUTION FACILITY SBAAI	512240600005	KPA2/SG2/SO3	Community Assets	Public Ablution Facilities	950	–	–	–	Struisbaai	N
Vote 1 - Executive and Council	WC033_Informal Trading Area 272/2015	512625170005	KPA1/SG1/SO1	Community Assets	Markets	–	500	–	–	Bredasdorp	N
Vote 3 - Corporate Services	WC033_Motor Vehicle	512635440001	KPA1/SG1/SO1	Transport Assets	Transport Assets	200	–	–	–	Whole of Municipality	N
Vote 3 - Corporate Services	WC033_Buildings-Add Training Room	512635440002	KPA1/SG1/SO1	Other assets	Municipal Offices	150	–	–	–	Bredasdorp	N
Vote 5 - Engineering Services	WC033_ROLLING BROOM	512650500012	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	255	–	–	–	Whole of Municipality	N
Vote 5 - Engineering Services	WC033_Rehab Waste Water Treatm Works	513150310001	KPA5/SG5/SO8	Sanitation Infrastructure	Waste Water Treatment Works	1 580	877	–	–	Bredasdorp	R
Vote 5 - Engineering Services	WC033_Napier: Waste Water Treatment Works	513150310002	KPA5/SG5/SO8	Sanitation Infrastructure	Waste Water Treatment Works		–	–	263	Napier	R
Vote 5 - Engineering Services	WC033_Sewerage Truck	511650300001	KPA5/SG5/SO8	Transport Assets	Transport Assets		–	–	1 000	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Sewerage scheme SB CDD	511650300002	KPA5/SG5/SO8	Sanitation Infrastructure	Reticulation		–	–	1 000	Struisbaai	N
Vote 5 - Engineering Services	WC033_Dora Project	513150600009	KPA5/SG5/SO8	Electrical Infrastructure	LV Networks	1 000	1 000	2 000	7 000	Bredasdorp	N

Municipal Vote/Capital project	Program/Project description	Project number	IDP Goal code	Asset Class	Asset Sub-Class	Current Year 2016/17 Full Year Forecast	2017/18 Medium Term Revenue & Expenditure Framework			Project information	
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location	New or renewal
R thousand											
Vote 2 - Financial Services & ICT	WC033_Backup Device & HDD	513630600011	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	55	–	58	50	Whole of Municipality	N
Vote 3 - Corporate Services	WC033_Server DR Site	513635410012	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	158	–	–	–	Whole of Municipality	U
Vote 2 - Financial Services & ICT	WC033_Vesta - Financial System	513630100000	KPA4/SG4/SO6	Intangible Assets	Computer Software and Applications		1 150	–	–	Administrative	U
Vote 2 - Financial Services & ICT	WC033_Server - mSCOA	513630600022	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	–	400	–	–	Whole of Municipality	U
Vote 2 - Financial Services & ICT	WC033_Mail Archiving	511430600026	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	–	–	200	–	Whole of Municipality	U
Vote 2 - Financial Services & ICT	WC033_CCTV Traffic	511630600027	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	–	–	200	–	Whole of Municipality	N
Vote 2 - Financial Services & ICT	WC033_CCTV Traffic	511630600028	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	–	–	–	500	Whole of Municipality	N
Vote 2 - Financial Services & ICT	WC033_Upgrade Server room DR Site	521630600023	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	–	300	–	–	Whole of Municipality	U
Vote 2 - Financial Services & ICT	WC033_Upgrade Server room DR Site	521630600024	KPA2/SG2/SO3	Computer Equipment	Computer Equipment			200	–	Whole of Municipality	U
Vote 2 - Financial Services & ICT	WC033_Whiteboard	511630600024	KPA2/SG2/SO3	Furniture and Office Equipment	Furniture and Office Equipment	–	1	–	–	Whole of Municipality	N
Vote 2 - Financial Services & ICT	WC033_Chair	511630600025	KPA2/SG2/SO3	Furniture and Office Equipment	Furniture and Office Equipment	–	2	–	–	Whole of Municipality	R
Vote 3 - Corporate Services	WC033_Time & Attendance(Acess Contr)	513635410015	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	500	–	–	–	Whole of Municipality	N
Vote 1 - Executive and Council	WC033_2m x 3m galv struct for dirt	513640510001	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	6	–	–	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_Table for Boardroom	513640510002	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	14	–	–	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_Install of cupboards in boardr	513640510003	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	4	–	–	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_Wooden Blinds for Boardroom	513640510004	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	4	–	–	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_Steel balustrade for entrance	513640510005	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	18	–	–	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_Install of bullet proof glass	513640510006	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	30	–	–	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_Sound System	513640510007	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	17	–	–	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_PLASTIC CHAIRS NEW HALL	513640510008	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	24	–	–	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_PLASTIC TABLES NEW HALL	513640510009	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	12	–	–	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_PLASTIC TABLES NEW HALL	513640510010	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	8	–	–	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_FLIGHT CASES (2)	513640510011	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	6	–	–	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_MOBILE TROLLEYS (2)	513640510012	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	2	–	–	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_Microwave / Urm / Stove / Vacuum cleaner	511625400013	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	–	12	–	–	Bredasdorp	R
Vote 1 - Executive and Council	WC033_Shelves for store room	511625400017	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	–	–	15	–	Bredasdorp	U
Vote 1 - Executive and Council	WC033_Wooden Blinds	511625400018	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	–	–	16	–	Bredasdorp	N
Vote 1 - Executive and Council	WC033_Food preparation surface (kitchen)	511625400015	KPA6/SG6/SO11	Furniture and Office Equipment	Furniture and Office Equipment	–	10	–	–	Bredasdorp	N
Vote 4 - Management Services	WC033_Book Detection system x 3	513640620005	KPA5/SG5/SO9	Furniture and Office Equipment	Furniture and Office Equipment	162	–	–	–	Whole of Municipality	N
Vote 4 - Management Services	WC033_SAFETY GATE PROTEM	513640620006	KPA5/SG5/SO9	Community Assets	Libraries	4	–	–	–	Protem	N
Vote 4 - Management Services	WC033_VACUUM CLEANERS (2)	513640620007	KPA5/SG5/SO9	Furniture and Office Equipment	Furniture and Office Equipment	3	–	–	–	Whole of Municipality	N
Vote 5 - Engineering Services	WC033_Upgr of Sandfilters Napier	521145720001	KPA5/SG5/SO8	Water Supply Infrastructure	Water Treatment Works	300	–	–	–	Napier	U
Vote 5 - Engineering Services	WC033_Upgr of membraces - Spandjaard	521145720003	KPA5/SG5/SO8	Water Supply Infrastructure	Water Treatment Works	169	–	–	–	Elim	U
Vote 5 - Engineering Services	WC033_Replace of Water Meters	521150200006	KPA5/SG5/SO8	Water Supply Infrastructure	Bulk Mains	300	–	300	300	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Replacement of water pipeline	521145720010	KPA5/SG5/SO8	Water Supply Infrastructure	Distribution	408	–	–	–	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_Upgrade Suiderstrand Road	521150500009	KPA5/SG5/SO8	Roads Infrastructure	Roads	1 000	1 000	1 000	1 000	Suiderstrand	U
Vote 5 - Engineering Services	WC033_Regravel Tamatiekraal Street - Napier	521150500024	KPA5/SG5/SO8	Roads Infrastructure	Roads	–	200	300	300	Napier	R
Vote 5 - Engineering Services	WC033_Reseal of Roads CAM	521150500010	KPA5/SG5/SO8	Roads Infrastructure	Roads	750	–	800	800	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_ROADS (NPIER CLINIC)	521150500013	KPA5/SG5/SO8	Roads Infrastructure	Roads	200	–	–	–	Napier	N
Vote 5 - Engineering Services	WC033_Change Transformers Minisubs	521150600001	KPA5/SG5/SO8	Electrical Infrastructure	MV Networks	348	–	–	–	Struisbaai	U
Vote 5 - Engineering Services	WC033_Change Transformers Minisubs (Loan)	521150600002	KPA5/SG5/SO8	Electrical Infrastructure	MV Networks	–	365	365	–	Struisbaai	U
Vote 6 - Electricity	WC033_Replace Med/Low Volt Overheadl	521150800031	KPA5/SG5/SO8	Electrical Infrastructure	MV Networks	750	–	–	–	Whole of Municipality	U
Vote 5 - Engineering Services	WC033_Replace Med/Low Volt Overheadl	521150600008	KPA5/SG5/SO8	Electrical Infrastructure	LV Networks	–	796	843	–	Whole of Municipality	U

Municipal Vote/Capital project	Program/Project description	Project number	IDP Goal code	Asset Class	Asset Sub-Class	Current Year 2016/17 Full Year Forecast	2017/18 Medium Term Revenue & Expenditure Framework			Project information	
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location	New or renewal
R thousand											
Vote 6 - Electricity	WC033_TRANSFORMER 8 STRUISBAY	521150800010	KPA5/SG5/SO8	Electrical Infrastructure	MV Networks	632	-	-	-	Struisbaai	U
Vote 4 - Management Services	WC033_Upgr of Exist Abl fac - Duiker	521240600001	KPA2/SG2/SO3	Community Assets	Public Ablution Facilities	72	-	-	-	Struisbaai	U
Vote 1 - Executive and Council	WC033_CAMERA (REPLACEMENT	521625170006	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	14	-	-	-	Whole of Municipality	R
Vote 2 - Financial Services & ICT	WC033_Safeguarding of Cashier office	521630310002	KPA4/SG4/SO6	Other assets	Municipal Offices	120	-	-	-	Bredasdorp	R
Vote 2 - Financial Services & ICT	WC033_Replacement PC's	521630600002	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	89	8	84	90	Whole of Municipality	R
Vote 2 - Financial Services & ICT	WC033_Replacement Laptops	521630600021	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	-	102	75	80	Whole of Municipality	R
Vote 2 - Financial Services & ICT	WC033_Screens Replace	521630600003	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	10	17	9	10	Whole of Municipality	R
Vote 3 - Corporate Services	WC033_Projector Replacement	521635410008	KPA2/SG2/SO3	Computer Equipment	Computer Equipment	9	-	-	-	Whole of Municipality	R
Vote 3 - Corporate Services	WC033_Microwave - Replace main build	521635440003	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	Bredasdorp	R
Vote 3 - Corporate Services	WC033_Um - Main building kitchen	521635440004	KPA1/SG1/SO1	Furniture and Office Equipment	Furniture and Office Equipment	3	-	-	-	Bredasdorp	R
Vote 4 - Management Services	WC033_Firearms	511640210007	KPA6/SG6/SO12	Machinery and Equipment	Machinery and Equipment	-	-	-	80	Whole of Municipality	N
Vote 4 - Management Services	WC033_PA System / Siren with GIZZ WAC	511640210005	KPA6/SG6/SO12	Machinery and Equipment	Machinery and Equipment	-	-	40	-	Whole of Municipality	N
Vote 4 - Management Services	WC033_Vehicles: x1 Mini-Bus (Law Enforcement)	512640210004	KPA6/SG6/SO12	Transport Assets	Transport Assets	-	-	250	-	Whole of Municipality	N
Vote 4 - Management Services	WC033_Vehicles: x1 Sedan (Traffic)	512640210006	KPA6/SG6/SO12	Transport Assets	Transport Assets	-	180	-	-	Whole of Municipality	N
Vote 4 - Management Services	WC033_3 x FS450 Brushcutter	521640420001	KPA2/SG2/SO3	Machinery and Equipment	Machinery and Equipment	23	40	40	20	Whole of Municipality	R
Vote 4 - Management Services	WC033_Basic Assessment - Soccer Field, Napier	521640420002	KPA2/SG2/SO3	Community Assets	Outdoor Facilities		120	1 200	500	Napier	N
Vote 4 - Management Services	WC033_Beautification of entrance to towns	521640420003	KPA2/SG2/SO3	Community Assets	Public Open Space		100	100	100	Whole of Municipality	U
Vote 4 - Management Services	WC033_1 x BG86 Blower	521640590002	KPA2/SG2/SO3	Machinery and Equipment	Machinery and Equipment	5	-	-	-	Whole of Municipality	R
Vote 4 - Management Services	WC033_Playpark - Public Open spaces (Hibiscuslaan)	511240420004	KPA2/SG2/SO3	Community Assets	Public Open Space	-	150	150	150	Struisbaai	N
Vote 4 - Management Services	WC033_Sport facility - Fencing of Klipdale sportgrond	511640420009	KPA2/SG2/SO3	Community Assets	Outdoor Facilities	-	-	50	-	Klipdale	N
Vote 4 - Management Services	WC033_Sport facility - Fencing of Struisbay sportgrond	511640420006	KPA2/SG2/SO3	Community Assets	Outdoor Facilities	-	50	-	-	Struisbaai	N
Vote 4 - Management Services	WC033_Sport facility - Waenhuiskrans	513240420010	KPA2/SG2/SO3	Community Assets	Outdoor Facilities	-	614	-	-	Arniston	N
Vote 4 - Management Services	WC033_Rugsak Spuite X2	511640420007	KPA2/SG2/SO3	Machinery and Equipment	Machinery and Equipment	-	5	-	-	Whole of Municipality	R
Vote 4 - Management Services	WC033_25HP Kohler CV752 Engine - Scag	511640420008	KPA2/SG2/SO3	Machinery and Equipment	Machinery and Equipment	-	47	-	-	Whole of Municipality	N
Vote 4 - Management Services	WC033_Furniture at Resorts	521640600003	KPA2/SG2/SO3	Furniture and Office Equipment	Furniture and Office Equipment	100	-	-	-	Whole of Municipality	R
Vote 5 - Engineering Services	WC033_REPLACEMENT WKRAN STORES	521645700002	KPA5/SG5/SO8	Other assets	Stores	280	-	-	-	Arniston	R
Vote 4 - Management Services	WC033_UPGRADE OF PIT TEST EQUIPMENT	522640540001	KPA6/SG6/SO12	Machinery and Equipment	Machinery and Equipment	198	-	-	-	Bredasdorp	U
Vote 4 - Management Services	WC033_Buildings - Renovation of reception area (Entrance)	521640220003	KPA6/SG6/SO12	Other assets	Municipal Offices	-	45	-	-	Bredasdorp	U
Vote 4 - Management Services	WC033_Buildings - Expansion of Testing Station_Law Enforcement	521640220005	KPA6/SG6/SO12	Community Assets	Testing Stations	-	-	230	-	Bredasdorp	U
Vote 4 - Management Services	WC033_Upgrade of Yard Test: K53	522640220006	KPA6/SG6/SO12	Community Assets	Testing Stations	-	-	-	800	Bredasdorp	U
Vote 4 - Management Services	WC033_Cover Parking Traffic and Law Enforcement Vehicles	511640220004	KPA6/SG6/SO12	Other assets	Municipal Offices	-	-	80	-	Bredasdorp	N
Vote 5 - Engineering Services	WC033_Agulhas New Storage Reservoir	523145720009	KPA5/SG5/SO8	Water Supply Infrastructure	Reservoirs	727	-	-	-	Agulhas	N
Vote 5 - Engineering Services	WC033_Bdorp RDP - Upgrade Roads	523150500001	KPA5/SG5/SO8	Roads Infrastructure	Roads	3 818	-	-	-	Bredasdorp	U
Vote 5 - Engineering Services	WC033_Arniston RDP - Upgrade Roads	523150500002	KPA5/SG5/SO8	Roads Infrastructure	Roads	1 167	-	-	-	Arniston	U
Vote 6 - Electricity	WC033_Nuwerus - Upgr Street Lighting	523150800002	KPA5/SG5/SO8	Electrical Infrastructure	LV Networks	245	-	-	-	Napier	N
Vote 6 - Electricity	WC033_SBay Main rd - upgr Str Lights	523150800003	KPA5/SG5/SO8	Electrical Infrastructure	LV Networks	116	-	-	-	Struisbaai	N
Vote 6 - Electricity	WC033_Bdorp - Upgr Street Lighting	523150800004	KPA5/SG5/SO8	Electrical Infrastructure	LV Networks	250	-	-	-	Bredasdorp	N
Vote 5 - Engineering Services	WC033_Generator	511650600015	KPA5/SG5/SO8	Machinery and Equipment	Machinery and Equipment	-	-	200	-	Bredasdorp	N
Vote 5 - Engineering Services	WC033_Airconditioners X2	511650600014	KPA5/SG5/SO8	Furniture and Office Equipment	Furniture and Office Equipment	-	32	-	-	Bredasdorp	N
Vote 5 - Engineering Services	WC033_Integrated National Electrification Programme	513150600015	KPA5/SG5/SO8	Electrical Infrastructure	LV Networks	-	-	285	-	Bredasdorp	N
Vote 4 - Management Services	WC033_UPGR SPORT FACILITIES ACADEMY	523240420003	KPA2/SG2/SO3	Community Assets	Indoor Facilities	50	700	-	-	Bredasdorp	U
Vote 5 - Engineering Services	WC033_Upgrade Thusong centre	523250100001	KPA5/SG5/SO8	Community Assets	Halls	847	-	-	-	Bredasdorp	U
Vote 4 - Management Services	WC033_Blinds - Welverdiend	523640620001	KPA5/SG5/SO9	Furniture and Office Equipment	Furniture and Office Equipment	7	-	-	-	Bredasdorp	R

Municipal Vote/Capital project R thousand	Program/Project description	Project number	IDP Goal code	Asset Class	Asset Sub-Class	Current Year 2016/17 Full Year Forecast	2017/18 Medium Term Revenue & Expenditure Framework			Project information	
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location	New or renewal
Vote 4 - Management Services	WC033_Blinds - Struisbaai	523640620002	KPA5/SG5/SO9	Furniture and Office Equipment	Furniture and Office Equipment	8	-	-	-	Struisbaai	R
Vote 4 - Management Services	WC033_Blinds - Arniston	523640620003	KPA5/SG5/SO9	Furniture and Office Equipment	Furniture and Office Equipment	7	-	-	-	Arniston	R
Vote 4 - Management Services	WC033_Building - Bredasdorp Extent	523640620004	KPA5/SG5/SO9	Community Assets	Libraries	352	-	-	-	Bredasdorp	U
Vote 4 - Management Services	WC033_Swingdoor (counter) - Bredasdorp	513640500008	KPA5/SG5/SO9	Community Assets	Libraries	-	4	-	-	Bredasdorp	U
Vote 4 - Management Services	WC033_Fencing - Arniston	513640500009	KPA5/SG5/SO9	Community Assets	Libraries	-	127	-	-	Arniston	U
Vote 4 - Management Services	WC033_Safety gates - Arniston	513640500010	KPA5/SG5/SO9	Community Assets	Libraries	-	10	-	-	Arniston	U
Vote 4 - Management Services	WC033_Safety gate - Klipdale	513640500011	KPA5/SG5/SO9	Community Assets	Libraries	-	5	-	-	Klipdale	U
Vote 4 - Management Services	WC033_Safety gate - Frontporch - Napier	513640500012	KPA5/SG5/SO9	Community Assets	Libraries	-	13	-	-	Napier	U
Vote 4 - Management Services	WC033_Laminating Machine	513640500013	KPA5/SG5/SO9	Furniture and Office Equipment	Furniture and Office Equipment	-	3	-	-	Whole of Municipality	N
Capital expenditure						24 252	27 665	29 682	29 203		

MBRR SA38 – Operating Projects per Strategic Objective per Vote

Municipal Vote/Operational project	Program/Project description	IDP Goal code	2017/18 Medium Term Revenue & Expenditure Framework				Project information
			Current Year 2016/17 Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location
R thousand							
Vote 1 - Executive and Council	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA1/SG1/SO1	3	3	3	3	CAM Area
Vote 1 - Executive and Council	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA2/SG2/SO3	–	8	9	9	CAM Area
Vote 1 - Executive and Council	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA6/SG6/SO11	–	3	4	4	CAM Area
Vote 1 - Executive and Council	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Buildings	KPA2/SG2/SO3	–	–	–	–	CAM Area
Vote 1 - Executive and Council	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Buildings	KPA6/SG6/SO11	–	5	5	6	CAM Area
Vote 1 - Executive and Council	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Transport Assets	KPA1/SG1/SO1	–	9	10	19	CAM Area
Vote 1 - Executive and Council	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Transport Assets	KPA6/SG6/SO11	–	7	7	8	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Capacity Building Training and Development_Workshops, Seminars and Subject Matter Training	KPA2/SG2/SO3	–	1 450	1 523	1 599	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Community Development_Child Programmes	KPA1/SG1/SO1	–	100	11	12	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Community Development_Community Development Initiatives	KPA3/SG3/SO4	–	46	–	–	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Community Development_Community Development Initiatives	KPA6/SG6/SO11	420	5 963	6 182	7 569	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Community Development_Community Initiatives	KPA3/SG3/SO5	150	173	155	157	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Community Development_Community Initiatives	KPA6/SG6/SO11	170	170	170	170	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Community Development_Community Initiatives	KPA6/SG6/SO11	220	220	220	220	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Efficient and Effective Public Service	KPA5/SG5/SO10	–	3 394	3 180	3 077	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Human Resources_Employee Assistance Programme	KPA2/SG2/SO3	–	80	84	88	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Human Resources_Human Resource Management	KPA2/SG2/SO3	–	7 510	7 997	8 518	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Human Resources_Human Resource Management	KPA3/SG3/SO4	–	–	–	–	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Local Economic Development_Project Implementation	KPA3/SG3/SO4	50	150	175	200	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Municipal Properties	KPA2/SG2/SO3	–	406	425	446	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Occupational Health and Safety	KPA2/SG2/SO3	–	25	26	28	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Performance Management	KPA1/SG1/SO1	2 440	2 357	2 499	2 651	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Strategic Management and Governance_Administrative Strategy and Planning	KPA1/SG1/SO1	10 465	16 004	16 901	18 014	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Strategic Management and Governance_Communication and Development	KPA3/SG3/SO5	500	500	500	500	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Strategic Management and Governance_IDP Implementation and Monitoring	KPA1/SG1/SO1	15	13	13	14	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Strategic Management and Governance_Risk Management	KPA1/SG1/SO1	1 932	1 849	1 942	2 036	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Tourism_Tourism Projects	KPA3/SG3/SO5	858	901	946	984	CAM Area
Vote 1 - Executive and Council	Operational_Typical Work Streams_Ward Committees_Meetings	KPA1/SG1/SO2	520	480	505	526	CAM Area
Vote 2 - Financial Services & ICT	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Computer Equipment	KPA2/SG2/SO3	–	68	72	75	CAM Area
Vote 2 - Financial Services & ICT	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA2/SG2/SO3	–	25	26	28	CAM Area
Vote 2 - Financial Services & ICT	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA4/SG4/SO6	24	9	9	9	CAM Area
Vote 2 - Financial Services & ICT	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA5/SG5/SO8	–	3	3	3	CAM Area
Vote 2 - Financial Services & ICT	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Machinery and Equipment	KPA5/SG5/SO8	–	15	16	17	CAM Area

Municipal Vote/Operational project	Program/Project description	IDP Goal code	2017/18 Medium Term Revenue & Expenditure Framework				Project information
			Current Year	Budget Year	Budget Year	Budget Year	
			2016/17 Full Year Forecast	2017/18	+1 2018/19	+2 2019/20	Ward location
R thousand							
Vote 2 - Financial Services & ICT	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Buildings	KPA5/SG5/S08	–	15	16	17	CAM Area
Vote 2 - Financial Services & ICT	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Transport Assets	KPA5/SG5/S08	–	1 143	1 212	1 292	CAM Area
Vote 2 - Financial Services & ICT	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Interval Based_Intangible Assets_Licences and Rights_Computer Software and Applications	KPA2/SG2/S03	–	1 903	2 017	2 138	CAM Area
Vote 2 - Financial Services & ICT	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Interval Based_Intangible Assets_Licences and Rights_Computer Software and Applications	KPA4/SG4/S06	1 010	1 168	1 130	1 232	CAM Area
Vote 2 - Financial Services & ICT	Operational_Typical Work Streams_Efficient and Effective Public Service	KPA2/SG2/S03	–	2 643	2 799	2 966	CAM Area
Vote 2 - Financial Services & ICT	Operational_Typical Work Streams_Efficient and Effective Public Service	KPA4/SG4/S06	28 169	29 942	31 225	32 732	CAM Area
Vote 2 - Financial Services & ICT	Operational_Typical Work Streams_Efficient and Effective Public Service	KPA5/SG5/S08	–	72	75	79	CAM Area
Vote 2 - Financial Services & ICT	Operational_Typical Work Streams_Financial Management Grant_Budget and Treasury Office	KPA4/SG4/S06	735	–	735	735	CAM Area
Vote 2 - Financial Services & ICT	Operational_Typical Work Streams_Financial Management Grant_Interns Compensation	KPA4/SG4/S06	563	852	914	981	CAM Area
Vote 2 - Financial Services & ICT	Operational_Typical Work Streams_Procurement Reforms and Fighting Corruption	KPA4/SG4/S06	2 464	2 648	2 824	3 012	CAM Area
Vote 2 - Financial Services & ICT	Operational_Typical Work Streams_Strategic Management and Governance_Administrative Strategy and Planning	KPA4/SG4/S06	5 041	6 632	6 191	7 143	CAM Area
Vote 3 - Corporate Services	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Computer Equipment	KPA2/SG2/S03	90	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA1/SG1/S02	1	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA2/SG2/S03	83	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Buildings	KPA2/SG2/S03	15	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Transport Assets	KPA1/SG1/S01	1	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Interval Based_Intangible Assets_Licences and Rights_Computer Software and Applications	KPA2/SG2/S03	1 600	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Typical Work Streams_Capacity Building Training and Development_Workshops, Seminars and Subject Matter Training	KPA2/SG2/S03	1 450	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Typical Work Streams_Communication and Public Participation_Newslatters	KPA1/SG1/S02	3 395	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Typical Work Streams_Efficient and Effective Public Service	KPA2/SG2/S03	2 260	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Typical Work Streams_Efficient and Effective Public Service	KPA5/SG5/S010	6 221	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Typical Work Streams_Human Resources_Employee Assistance Programme	KPA2/SG2/S03	150	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Typical Work Streams_Human Resources_Human Resource Management	KPA2/SG2/S03	5 391	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Typical Work Streams_Human Resources_Human Resource Management	KPA3/SG3/S04	96	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Typical Work Streams_Municipal Properties	KPA2/SG2/S03	445	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Typical Work Streams_Occupational Health and Safety	KPA2/SG2/S03	25	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Typical Work Streams_Strategic Management and Governance_Administrative Strategy and Planning	KPA1/SG1/S01	4 435	–	–	–	CAM Area
Vote 3 - Corporate Services	Operational_Typical Work Streams_Strategic Management and Governance_Administrative Strategy and Planning	KPA2/SG2/S03	1 649	–	–	–	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA2/SG2/S03	5	4	4	4	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA5/SG5/S09	14	13	13	14	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA6/SG6/S011	5	1	1	1	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA6/SG6/S012	16	11	11	12	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Machinery and Equipment	KPA2/SG2/S03	299	310	248	260	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Machinery and Equipment	KPA6/SG6/S012	52	42	43	45	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Buildings	KPA2/SG2/S03	3 755	4 129	4 043	4 290	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Buildings	KPA5/SG5/S09	53	89	58	61	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Buildings	KPA6/SG6/S011	7	–	–	–	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Buildings	KPA6/SG6/S012	20	20	20	21	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Land	KPA2/SG2/S03	81	75	79	83	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Land	KPA5/SG5/S09	5	6	6	6	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Land	KPA6/SG6/S012	23	23	23	24	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Transport Assets	KPA2/SG2/S03	175	166	149	156	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Transport Assets	KPA5/SG5/S010	11	8	8	9	CAM Area

Municipal Vote/Operational project	Program/Project description	IDP Goal code	2017/18 Medium Term Revenue & Expenditure Framework			Project information	
			Current Year 2016/17 Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location
R thousand							
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Transport Assets	KPA6/SG6/SO11	8	–	–	–	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Transport Assets	KPA6/SG6/SO12	107	104	110	115	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Interval Based_Community Assets_Community Facilities_Cemeteries/Crematoria_External Facilities	KPA5/SG5/SO9	583	656	698	744	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Interval Based_Community Assets_Community Facilities_Parks_Land	KPA2/SG2/SO3	3 118	3 511	3 733	3 981	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Interval Based_Community Assets_Community Facilities_Parks_Land	KPA3/SG3/SO4	410	210	221	232	CAM Area
Vote 4 - Management Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Interval Based_Community Assets_Sport and Recreation Facilities_Outdoor Facilities_External Facilities	KPA2/SG2/SO3	1 792	4 240	4 499	4 767	CAM Area
Vote 4 - Management Services	Operational_Typical Work Streams_Community Development_Community Development Initiatives	KPA3/SG3/SO4	92	–	–	–	CAM Area
Vote 4 - Management Services	Operational_Typical Work Streams_Community Development_Community Development Initiatives	KPA6/SG6/SO11	1 733	–	–	–	CAM Area
Vote 4 - Management Services	Operational_Typical Work Streams_Community Development_Housing Projects	KPA5/SG5/SO10	19 546	22 137	21 796	42 014	CAM Area
Vote 4 - Management Services	Operational_Typical Work Streams_Community Development_Library Programmes	KPA5/SG5/SO9	4 995	5 066	5 411	5 782	CAM Area
Vote 4 - Management Services	Operational_Typical Work Streams_Efficient and Effective Public Service	KPA2/SG2/SO3	4 146	2 439	2 221	2 350	CAM Area
Vote 4 - Management Services	Operational_Typical Work Streams_Efficient and Effective Public Service	KPA5/SG5/SO9	1 116	1 307	1 382	1 464	CAM Area
Vote 4 - Management Services	Operational_Typical Work Streams_Environmental_Environmental Health	KPA6/SG6/SO12	629	757	810	847	CAM Area
Vote 4 - Management Services	Operational_Typical Work Streams_Public Protection and Safety	KPA6/SG6/SO12	13 057	15 592	16 635	17 658	CAM Area
Vote 4 - Management Services	Operational_Typical Work Streams_Strategic Management and Governance_Administrative Strategy and Planning	KPA6/SG6/SO11	1 798	2 951	3 887	2 231	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Infrastructure_Preventative Maintenance_Condition Based_Electrical Infrastructure_LV Networks_Electricity Meters	KPA5/SG5/SO8	–	9	10	11	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Infrastructure_Preventative Maintenance_Condition Based_Electrical Infrastructure_LV Networks_LV Conductors	KPA5/SG5/SO8	–	7 497	7 905	8 339	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Infrastructure_Preventative Maintenance_Condition Based_Electrical Infrastructure_LV Networks_Public Lighting	KPA5/SG5/SO8	–	143	152	160	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Infrastructure_Preventative Maintenance_Condition Based_Roads Infrastructure_Road Furniture_Traffic Signs	KPA5/SG5/SO8	240	250	263	276	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Infrastructure_Preventative Maintenance_Condition Based_Roads Infrastructure_Roads_Earthworks	KPA5/SG5/SO8	3 314	10 620	11 267	11 958	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Infrastructure_Preventative Maintenance_Condition Based_Roads Infrastructure_Roads_Pavements	KPA5/SG5/SO8	80	100	105	110	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Infrastructure_Preventative Maintenance_Condition Based_Sanitation Infrastructure_Reticulation_Pipe Work	KPA5/SG5/SO8	2 010	6 424	6 769	7 136	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Infrastructure_Preventative Maintenance_Condition Based_Water Supply Infrastructure_Distribution_Pipe Work	KPA5/SG5/SO8	1 975	9 219	9 742	10 299	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Infrastructure_Preventative Maintenance_Interval Based_Solid Waste Disposal_Landfill Sites_Land	KPA6/SG6/SO12	1 234	1 918	2 026	2 140	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA5/SG5/SO8	15	12	13	14	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Machinery and Equipment	KPA5/SG5/SO8	252	252	266	280	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Buildings	KPA5/SG5/SO8	87	88	92	97	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Buildings	KPA6/SG6/SO12	68	42	44	46	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Land	KPA5/SG5/SO8	5	5	5	6	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Land	KPA6/SG6/SO12	36	15	16	17	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Transport Assets	KPA5/SG5/SO8	2 885	2 042	2 144	2 251	CAM Area
Vote 5 - Engineering Services	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Interval Based_Intangible Assets_Licences and Rights_Computer Software and Applications	KPA5/SG5/SO8	50	57	60	63	CAM Area
Vote 5 - Engineering Services	Operational_Typical Work Streams_City Cleanliness and Clean-up_Clean-up Actions	KPA5/SG5/SO8	900	1 500	1 575	1 654	CAM Area
Vote 5 - Engineering Services	Operational_Typical Work Streams_City Cleanliness and Clean-up_Clean-up Actions	KPA6/SG6/SO12	10	25	26	28	CAM Area
Vote 5 - Engineering Services	Operational_Typical Work Streams_Efficient and Effective Public Service	KPA5/SG5/SO10	–	2 994	2 903	3 075	CAM Area
Vote 5 - Engineering Services	Operational_Typical Work Streams_Efficient and Effective Public Service	KPA5/SG5/SO8	38 168	102 283	107 109	112 385	CAM Area
Vote 5 - Engineering Services	Operational_Typical Work Streams_Efficient and Effective Public Service	KPA6/SG6/SO12	6 401	6 876	6 970	7 069	CAM Area
Vote 5 - Engineering Services	Operational_Typical Work Streams_Expanded Public Works Programme_Project	KPA3/SG3/SO4	772	480	–	–	CAM Area

Municipal Vote/Operational project	Program/Project description	IDP Goal code	2017/18 Medium Term Revenue & Expenditure Framework				Project information
			Current Year 2016/17 Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
R thousand							Ward location
Vote 5 - Engineering Services	Operational_Typical Work Streams_Strategic Management and Governance_Administrative Strategy and Planning	KPA5/SG5/SO8	2 460	3 246	2 839	3 030	CAM Area
Vote 6 - Electricity	Operational_Maintenance_Infrastructure_Preventative Maintenance_Condition Based_Electrical Infrastructure_LV Networks_Electricity Meters	KPA5/SG5/SO8	9	–	–	–	CAM Area
Vote 6 - Electricity	Operational_Maintenance_Infrastructure_Preventative Maintenance_Condition Based_Electrical Infrastructure_LV Networks_LV Conductors	KPA5/SG5/SO8	1 285	–	–	–	CAM Area
Vote 6 - Electricity	Operational_Maintenance_Infrastructure_Preventative Maintenance_Condition Based_Electrical Infrastructure_LV Networks_Public Lighting	KPA5/SG5/SO8	135	–	–	–	CAM Area
Vote 6 - Electricity	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Furniture and Office Equipment	KPA5/SG5/SO8	–	–	–	–	CAM Area
Vote 6 - Electricity	Operational_Maintenance_Non-infrastructure_Corrective Maintenance_Emergency_Machinery and Equipment	KPA5/SG5/SO8	72	–	–	–	CAM Area
Vote 6 - Electricity	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Other Assets_Operational Buildings_Municipal Offices_Buildings	KPA5/SG5/SO8	30	–	–	–	CAM Area
Vote 6 - Electricity	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Condition Based_Transport Assets	KPA5/SG5/SO8	164	–	–	–	CAM Area
Vote 6 - Electricity	Operational_Maintenance_Non-infrastructure_Preventative Maintenance_Interval Based_Intangible Assets_Licences and Rights_Computer Software and Applications	KPA5/SG5/SO8	–	–	–	–	CAM Area
Vote 6 - Electricity	Operational_Typical Work Streams_Efficient and Effective Public Service	KPA5/SG5/SO8	84 559	–	–	–	CAM Area
Total Operational expenditure			287 917	308 922	321 162	356 928	

2.12 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. Service Delivery and Implementation Plan
The detail SDBIP document is at a draft stage and attached as Appendix B to be finalised after approval of the 2017/18 MTREF at least 30 days before the start of the next financial year directly aligned and informed by the 2017/18 MTREF.
2. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipality's website.
3. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and has employed 3 interns undergoing training in various divisions of the Financial Services Department. Currently a further 2 vacancies are in process of being filled. This process is expected to be finalised at the end of April 2017.
4. Budget and Treasury Office
The Budget and Treasury Office has been established and a Manager have been appointed during September 2015 in accordance with the MFMA. The unit needs to be further capacitated in order to fulfill its legislative objective and to be fully effective to deliver in terms of its mandate accordingly.
5. Audit Committee
An Audit Committee has been established and is fully functional.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.
7. MFMA Training
No MFMA training is currently underway. Skills Competency training is currently in progress at the municipality with only a few individuals in the final stages of the programme.
8. Policies
Budget related policies will be reviewed and updated if so required for final submission with the approval of the 2017/18 MTREF & outer two years.

2.13 Other supporting documents

All other supporting schedules not specifically addressed in this document are included below.

MBRR SA1 - Supporting detail to 'Budgeted Financial Performance'

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
REVENUE ITEMS:				
<u>Property rates</u>				
Total Property Rates	54 839	61 253	66 108	72 058
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	410	1 110	1 166	1 224
Net Property Rates	54 429	60 143	64 943	70 834
<u>Service charges - electricity revenue</u>				
Total Service charges - electricity revenue	97 529	103 393	108 563	113 991
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>	82	87	92	98
Net Service charges - electricity revenue	97 447	103 306	108 471	113 893
<u>Service charges - water revenue</u>				
Total Service charges - water revenue	23 926	26 674	28 674	30 825
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>	2 200	2 332	2 472	2 620
Net Service charges - water revenue	21 726	24 342	26 202	28 204
<u>Service charges - sanitation revenue</u>				
Total Service charges - sanitation revenue	10 465	12 560	13 502	14 515
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>	2 900	3 074	3 258	3 454
Net Service charges - sanitation revenue	7 565	9 486	10 244	11 061
<u>Service charges - refuse revenue</u>				
Total refuse removal revenue	17 412	19 435	20 890	22 453
Total landfill revenue				
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>	3 502	3 712	3 935	4 171
Net Service charges - refuse revenue	13 910	15 723	16 955	18 282

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
<u>Other Revenue by source</u>				
Advertisements	174	115	124	133
Bad Debts Recovered	219	250	250	250
Books	1	1	1	1
Breakages and Losses Recovered	3	3	3	3
Building Plan Approval	548	602	663	729
Camping Fees	5 694	6 036	6 398	6 436
Cemetery and Burial	43	46	47	47
Clearance Certificates	71	72	80	90
Entrance Fees	28	29	30	30
Incidental Cash Surpluses	3	21	31	41
Insurance Refund	–	30	32	34
Library Fees_Membership	5	5	6	6
Merchandising, Jobbing and Contracts	162	163	170	178
Photocopies and Faxes	39	20	21	22
Plan Printing and Duplicates	4	4	4	5
Removal of Restrictions	42	15	17	18
Skills Development Levy Refund	–	–	–	–
Staff Recoveries	1	10	10	10
Stone and Gravel	1	1	1	–
Tender Documents	30	32	34	36
Town Planning and Servitudes	80	84	90	97
Transaction Handling Fees	226	230	249	273
Total 'Other' Revenue	7 372	7 769	8 259	8 438
EXPENDITURE ITEMS:				
<u>Employee related costs</u>				
Basic Salaries and Wages	69 574	79 476	85 025	91 058
Pension and UIF Contributions	12 018	13 475	14 418	15 427
Medical Aid Contributions	3 625	4 032	4 435	4 879
Overtime	3 241	3 402	3 517	3 655
Performance Bonus	667	525	561	601
Motor Vehicle Allowance	5 204	5 650	5 650	5 650
Cellphone Allowance	462	392	392	392
Housing Allowances	1 099	951	951	951
Other benefits and allowances	3 968	5 063	5 168	5 280
Payments in lieu of leave	875	1 319	965	1 013
Long service awards	498	522	549	576
Post-retirement benefit obligations	2 372	2 372	2 491	2 615
Total Employee related costs	103 603	117 179	124 122	132 096

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
<u>Depreciation & asset impairment</u>				
Depreciation of Property , Plant & Equipment	9 638	10 127	10 212	10 300
Capital asset impairment	1 250	1 313	1 378	1 447
Total Depreciation & asset impairment	10 888	11 440	11 590	11 747
<u>Bulk purchases</u>				
Electricity Bulk Purchases	74 851	76 498	80 323	84 339
Water Bulk Purchases	170	180	189	199
Total bulk purchases	75 021	76 678	80 512	84 538
<u>Transfers and grants</u>				
Cash transfers and grants	2 339	2 763	2 685	2 760
Total transfers and grants	2 339	2 763	2 685	2 760
<u>Contracted services</u>				
<i>Accounting and Auditing</i>	1 103	240	1 095	1 215
<i>Audit Committee</i>	134	135	140	146
<i>Burial Services</i>	63	56	58	61
<i>Business and Financial Management</i>	1 458	2 220	1 427	1 437
<i>Catering Services</i>	60	60	60	60
<i>Cleaning Services</i>	1	1	1	1
<i>Clearing and Grass Cutting Services</i>	30	25	26	28
<i>Commissions and Committees</i>	417	391	411	427
<i>Communications</i>	150	150	150	150
<i>Contractors_Building</i>	300	1 000	1 800	–
<i>Contractors_Electrical</i>	500	–	–	–
<i>Drivers Licence Cards</i>	170	170	170	170
<i>Employee Wellness</i>	150	80	84	88
<i>Engineering_Civil</i>	1 200	2 100	1 480	1 554
<i>Event Promoters</i>	10	1 010	1 011	2 011
<i>Fire Services</i>	–	750	1 200	1 200
<i>Gardening Services</i>	57	47	48	49
<i>Haulage</i>	2 030	2 725	2 861	3 004
<i>Human Resources</i>	900	120	127	134
<i>Legal Advice and Litigation</i>	915	895	962	979
<i>Legal Cost_Collection</i>	180	180	230	230
<i>Maintenance of Unspecified Assets</i>	220	200	210	221
<i>Medical Examinations</i>	1	3	3	3
<i>Occupational Health and Safety</i>	54	56	59	62
<i>Organisational</i>	20	–	–	–
<i>Personnel and Labour</i>	2 700	1 467	361	388
<i>Photographer</i>	4	3	3	4
<i>Removal of Structures and Illegal Signs</i>	10	35	37	39
<i>Research and Advisory</i>	355	1 053	548	1 062
<i>Security Services</i>	806	876	923	972
<i>Town Planner</i>	1 651	1 150	800	550
<i>Traffic Fines Management</i>	600	500	550	600
<i>Valuer</i>	1 555	510	600	630
Total contracted services	17 804	18 208	17 435	17 474

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
<u>Other Expenditure By Type</u>				
Audit fees	3 000	3 150	3 386	3 573
Advertising, Publicity and Marketing	944	991	1 033	1 075
Bank Charges, Facility and Card Fees	815	845	887	932
Bursaries (Employees)	120	120	120	120
Cleaning Services (Laundry)	100	108	93	98
Commission	1 278	1 390	1 480	1 570
Communication - Licences (Radio and Television)	43	8	8	9
Communication - Postage and Telephone	1 316	1 261	1 287	1 317
Communication - Telemetric Systems	88	20	21	23
Contribution - Pensioners	67	–	–	–
Deeds	30	45	45	46
Drivers Licences and Permits	40	30	31	29
Entertainment - Councillors	100	90	95	99
Entertainment - Senior Management	16	8	8	8
Expenditure_Operational Cost_Indigent Relief	270	294	321	350
Expenditure_Operational Cost_Skills Development Fund Levy	664	722	773	827
External Computer Service - Data Lines	720	803	851	902
Full Time Union Representative	140	140	147	154
Hire Charges	561	397	416	438
Insurance	653	676	709	745
Motor Vehicle Licence and Registrations	192	202	209	220
Municipal Services	847	1 010	1 062	1 118
Operating Leases	440	396	415	436
Printing, Publications and Books	89	90	94	98
Professional and Regulatory Bodies	57	52	68	71
Professional Bodies, Membership and Subscription	915	1 055	1 116	1 182
Remuneration to Ward Committees	520	480	505	526
Resettlement Cost	70	50	50	50
Samples and Specimens	318	289	304	319
Seminars, Conferences, Workshops and Events	1 598	1 585	1 667	1 749
Software Licences	3 132	3 498	3 595	3 840
System Access and Information Fees	5	3	3	3
Travel and Subsistence	991	897	935	974
Uniform and Protective Clothing	445	552	516	542
Workmen's Compensation Fund	168	205	220	236
Total 'Other' Expenditure	20 750	21 461	22 471	23 677

MBRR SA2 - Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)

Description R thousand	Vote 1 - Executive and Council	Vote 2 - Financial Services & ICT	Vote 4 - Management Services	Vote 5 - Engineering Services	Total
<u>Revenue By Source</u>					
Property rates	—	60 143	—	—	60 143
Service charges - electricity revenue	—	—	—	103 306	103 306
Service charges - water revenue	—	—	—	24 342	24 342
Service charges - sanitation revenue	—	—	—	9 486	9 486
Service charges - refuse revenue	—	—	—	15 723	15 723
Rental of facilities and equipment	1 918	—	137	—	2 056
Interest earned - external investments	—	2 060	—	—	2 060
Interest earned - outstanding debtors	—	1 496	—	—	1 496
Fines, penalties and forfeits	3	100	9 168	—	9 271
Licences and permits	55	—	6	—	61
Agency services	—	—	2 419	—	2 419
Other revenue	228	634	6 145	762	7 769
Transfers and subsidies	26 292	240	26 478	2 124	55 134
Gains on disposal of PPE	—	500	—	—	500
Total Revenue (excluding capital transfers and	28 496	65 173	44 353	155 743	293 765
<u>Expenditure By Type</u>					
Employee related costs	22 853	23 683	29 173	41 470	117 179
Remuneration of councillors	5 145	—	—	—	5 145
Debt impairment	—	950	4 504	2 379	7 833
Depreciation & asset impairment	—	3 012	—	8 428	11 440
Finance charges	87	4 485	285	4 106	8 964
Bulk purchases	—	—	—	76 678	76 678
Other materials	393	437	24 516	13 905	39 250
Contracted services	4 471	3 439	3 968	6 330	18 208
Transfers and subsidies	2 763	—	—	—	2 763
Other expenditure	6 110	11 130	1 420	2 802	21 461
Total Expenditure	41 823	47 136	63 866	156 097	308 922
Surplus/(Deficit)	(13 327)	18 037	(19 513)	(354)	(15 157)
Transfers and subsidies - capital	—	1 550	862	10 558	12 969
Surplus/(Deficit) after capital transfers & contributions	(13 327)	19 587	(18 651)	10 204	(2 187)

MBRR SA3 - Supporting detail to 'Budgeted Financial Position'

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand				
ASSETS				
<u>Consumer debtors</u>				
Consumer debtors	39 590	47 383	55 675	64 530
<u>Less: Provision for debt impairment</u>	(16 035)	(19 364)	(22 865)	(26 546)
Total Consumer debtors	23 555	28 019	32 810	37 984
<u>Debt impairment provision</u>				
Balance at the beginning of the year	12 825	16 035	19 364	22 865
Contributions to the provision	3 210	3 329	3 501	3 681
Balance at end of year	16 035	19 364	22 865	26 546
<u>Property, plant and equipment (PPE)</u>				
PPE at cost/valuation (ex cl. finance leases)	468 855	495 335	525 017	554 221
Leases recognised as PPE	1 192	1 192	1 192	1 192
<u>Less: Accumulated depreciation</u>	95 297	106 436	117 725	129 171
Total Property, plant and equipment (PPE)	374 750	390 091	408 484	426 241
LIABILITIES				
<u>Current liabilities - Borrowing</u>				
Current portion of long-term liabilities	1 428	2 310	3 288	3 074
Total Current liabilities - Borrowing	1 428	2 310	3 288	3 074
<u>Trade and other payables</u>				
Trade and other creditors	13 776	14 004	14 365	16 734
Unspent conditional transfers	700	—	—	—
VAT	1 330	1 330	1 330	1 330
Total Trade and other payables	15 806	15 334	15 695	18 064
<u>Non current liabilities - Borrowing</u>				
Borrowing	4 113	6 651	9 467	8 850
Total Non current liabilities - Borrowing	4 113	6 651	9 467	8 850
<u>Provisions - non-current</u>				
Retirement benefits	55 790	62 747	70 660	79 576
Refuse landfill site rehabilitation	62 155	66 196	70 498	75 081
Total Provisions - non-current	117 945	128 942	141 158	154 657
CHANGES IN NET ASSETS				
<u>Accumulated Surplus/(Deficit)</u>				
Accumulated Surplus/(Deficit) - opening balance	297 395	290 077	287 890	291 643
Restated balance	297 395	290 077	287 890	291 643
Surplus/(Deficit)	(5 818)	(2 187)	3 753	15 011
Appropriations to Reserves	(10 997)	(9 034)	(9 699)	(8 789)
Transfers from Reserves	9 497	9 034	9 699	8 789
Accumulated Surplus/(Deficit)	290 077	287 890	291 643	306 654
<u>Reserves</u>				
Capital replacement	15 000	15 000	15 000	15 000
Total Reserves	15 000	15 000	15 000	15 000
TOTAL COMMUNITY WEALTH/EQUITY	305 077	302 890	306 643	321 654

MBRR SA9 - Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
		Original Budget	Outcome	Outcome	Outcome
Demographics					
Population		33	35	35	36
Females aged 5 - 14		2	3	3	3
Males aged 5 - 14		3	3	3	3
Females aged 15 - 34		5	5	5	5
Males aged 15 - 34		5	5	5	5
Unemployment		19,5%	19.7%	19.7%	19.7%
Monthly household income (no. of households)	1, 12				
No income		—	—	—	—
R1 - R1 600		3,109	1.40%	1.40%	1.40%
R1 601 - R3 200		353			
R3 201 - R6 400		6,700			
R6 401 - R12 800		—	2.80%	2.80%	2.80%
R12 801 - R25 600		—	12.90%	12.90%	12.90%
R25 601 - R51 200		—	22.20%	22.20%	22.20%
R52 201 - R102 400		—	19.60%	19.60%	19.60%
R102 401 - R204 800		—	14.10%	14.10%	14.10%
R204 801 - R409 600		—	10.70%	10.70%	10.70%
R409 601 - R819 200		—	4.60%	4.60%	4.60%
> R819 200		—	1.70%	1.70%	1.70%
Poverty profiles (no. of households)					
< R2 060 per household per month	13	3462.00	3485.00	3695.00	3917.00
Insert description	2	0.00	0.00	0.00	0.00
Household/demographics (000)					
Number of people in municipal area		33	35	35	36
Number of poor people in municipal area		13	4	4	4
Number of households in municipal area		10	10	10	10
Number of poor households in municipal area		3	3	4	4
Definition of poor household (R per month)		—	—	—	—
Housing statistics	3				
Formal		8,658	88.3%	88.3%	88.3%
Informal		1,504	8.2%	8.2%	8.2%
Total number of households		10,162	1	1	1
Dwellings provided by municipality	4	—	—	—	—
Dwellings provided by province/s		668	668	668	668
Dwellings provided by private sector	5	9,494	9,494	9,494	9,494
Total new housing dwellings		10,162	10,162	10,162	10,162
Economic	6				
Inflation/inflation outlook (CPIX)		5.6%	6.4%	5.7%	5.6%
Interest rate - borrowing		9.3%	9.3%	9.3%	9.3%
Interest rate - investment		5.3%	5.3%	5.3%	5.3%
Remuneration increases		5.9%	9.4%	7.0%	7.0%
Consumption growth (electricity)		0.0%	0.0%	0.0%	0.0%
Consumption growth (water)		0.0%	0.0%	0.0%	0.0%
Collection rates	7				
Property tax/service charges		96.3%	97.4%	97.4%	97.4%
Rental of facilities & equipment		96.3%	97.4%	97.4%	97.4%
Interest - external investments		100.0%	100.0%	100.0%	100.0%
Interest - debtors		96.3%	97.4%	97.4%	97.4%
Revenue from agency services		100.0%	100.0%	100.0%	100.0%

MBRR SA11 - Property rates summary

Description	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Valuation:				
Date of valuation:				
Financial year valuation used		2013/2014		
Municipal by-laws s6 in place? (Y/N)		Yes		
Municipal/assistant valuer appointed? (Y/N)		Yes		
Municipal partnership s38 used? (Y/N)	N	N	N	N
No. of assistant valuers (FTE)	—	—	—	—
No. of data collectors (FTE)	—	—	—	—
No. of internal valuers (FTE)	—	—	—	—
No. of external valuers (FTE)	1	1	1	1
No. of additional valuers (FTE)	—	—	—	—
Valuation appeal board established? (Y/N)				
Implementation time of new valuation roll (mths)				
No. of properties	12 572	12 572	12 572	12 572
No. of sectional title values	195	195	195	195
No. of supplementary valuations	12	—	—	—
Municipality owned property value (Rm)	0	0	0	0
Valuation reductions:				
Valuation reductions-public worship (Rm)	52	52	52	52
Valuation reductions-other (Rm)	88	102	102	102
Total valuation reductions:	140	154	154	154
Total value used for rating (Rm)	10 420	10 539	10 539	10 539
Total market value (Rm)	10 420	10 539	10 539	10 539
Rating:				
Residential rate used to determine rate for other categories? (Y/N)		Yes		
Differential rates used? (Y/N)		Yes		
Limit on annual rate increase (s20)? (Y/N)		No		
Special rating area used? (Y/N)		No		
Phasing-in properties s21 (number)		No		
Rates policy accompanying budget? (Y/N)		Yes		
Fixed amount minimum value (R'000)		—		
Non-residential prescribed ratio s19? (%)		0.0%		
Rate revenue:				
Rate revenue budget (R '000)	49 899	54 671	55 128	66 188
Rate revenue expected to collect (R'000)	48 053	52 649	53 088	63 739
Expected cash collection rate (%)	96.3%	96.3%	96.3%	96.3%
Special rating areas (R'000)				
Rebates, exemptions - indigent (R'000)	—	—	—	—
Rebates, exemptions - pensioners (R'000)	161	160	168	176
Rebates, exemptions - bona fide farm. (R'000)	—	—	—	—
Rebates, exemptions - other (R'000)	—	—	—	—
Phase-in reductions/discounts (R'000)	—	—	—	—
Total rebates, exemptns, reductns, discs (R'000)	161	160	168	176

MBRR SA12a - Property rates by category (current year)

Description	Resi.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public benefit organs.
Current Year 2016/17						
Valuation:						
No. of properties	9 986	462	1 073	230	452	60
No. of sectional title property values	195	—	—	—	—	—
No. of unreasonably difficult properties s7(2)	—	—	—	—	—	—
No. of supplementary valuations	2	—	—	—	—	—
Supplementary valuation (Rm)	—	—	—	—	—	—
No. of valuation roll amendments	1 325	—	—	—	—	—
No. of objections by rate-payers	2	—	—	—	—	—
No. of appeals by rate-payers	—	—	—	—	—	—
No. of appeals by rate-payers finalised	—	—	—	—	—	—
No. of successful objections	—	—	—	—	—	—
No. of successful objections > 10%	—	—	—	—	—	—
Estimated no. of properties not valued	10	—	—	—	—	—
Years since last valuation (select)	4	0	0	0	0	0
Frequency of valuation (select)	4	0	0	0	0	0
Method of valuation used (select)	Market	0	0	0	0	0
Base of valuation (select)	Land & impr.	0	0	0	0	0
Phasing-in properties s21 (number)	0	0	0	0	0	0
Combination of rating types used? (Y/N)	Yes	0	0	0	0	0
Flat rate used? (Y/N)	No	0	0	0	0	0
Is balance rated by uniform rate/variable rate?	Variable	0	0	0	0	0
Valuation reductions:						
Valuation reductions-public infrastructure (Rm)	—	—	—	—	—	—
Valuation reductions-nature reserves/park (Rm)	—	—	—	—	—	—
Valuation reductions-mineral rights (Rm)	—	—	—	—	—	—
Valuation reductions-R15,000 threshold (Rm)	—	—	—	—	—	—
Valuation reductions-public worship (Rm)	52	—	—	—	—	—
Valuation reductions-other (Rm)	—	—	—	—	—	—
Total valuation reductions:						
Total value used for rating (Rm)	10 685	—	—	—	—	—
Total land value (Rm)	—	—	—	—	—	—
Total value of improvements (Rm)	—	—	—	—	—	—
Total market value (Rm)	10 685	—	—	—	—	—
Rating:						
Average rate	0.006541	—	—	—	—	—
Rate revenue budget (R '000)	54 429	—	—	—	—	—
Rate revenue expected to collect (R'000)	52 471	—	—	—	—	—
Expected cash collection rate (%)	96.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Special rating areas (R'000)	—	—	—	—	—	—
Rebates, exemptions - indigent (R'000)	—	—	—	—	—	—
Rebates, exemptions - pensioners (R'000)	161	—	—	—	—	—
Rebates, exemptions - bona fide farm. (R'000)	—	—	—	—	—	—
Rebates, exemptions - other (R'000)	—	—	—	—	—	—
Phase-in reductions/discouts (R'000)	—	—	—	—	—	—
Total rebates,exemptns,eductns,discs (R'000)						

MBRR SA12b - Property rates by category (Budget year)

Description	Resi.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public benefit organs.
Budget Year 2017/18						
Valuation:						
No. of properties	9 986	462	1 073	230	452	60
No. of sectional title property values	195	–	–	–	–	–
No. of unreasonably difficult properties s7(2)	–	–	–	–	–	–
No. of supplementary valuations	–	–	–	–	–	–
Supplementary valuation (Rm)	–	–	–	–	–	–
No. of valuation roll amendments	–	–	–	–	–	–
No. of objections by rate-payers	–	–	–	–	–	–
No. of appeals by rate-payers	–	–	–	–	–	–
No. of appeals by rate-payers finalised	–	–	–	–	–	–
No. of successful objections	–	–	–	–	–	–
No. of successful objections > 10%	–	–	–	–	–	–
Estimated no. of properties not valued	–	–	–	–	–	–
Years since last valuation (select)	1	0	0	0	0	0
Frequency of valuation (select)	5	0	0	0	0	0
Method of valuation used (select)	Market	0	0	0	0	0
Base of valuation (select)	Land & impr.	0	0	0	0	0
Phasing-in properties s21 (number)	0	0	0	0	0	0
Combination of rating types used? (Y/N)	Yes	0	0	0	0	0
Flat rate used? (Y/N)	No	0	0	0	0	0
Is balance rated by uniform rate/variable rate?	Variable	0	0	0	0	0
Valuation reductions:						
Valuation reductions-public infrastructure (Rm)	–	–	–	–	–	–
Valuation reductions-nature reserves/park (Rm)	–	–	–	–	–	–
Valuation reductions-mineral rights (Rm)	–	–	–	–	–	–
Valuation reductions-R15,000 threshold (Rm)	–	–	–	–	–	–
Valuation reductions-public worship (Rm)	52	–	–	–	–	–
Valuation reductions-other (Rm)	–	–	–	–	–	–
Total valuation reductions:						
Total value used for rating (Rm)	11 942	–	–	–	–	–
Total land value (Rm)	–	–	–	–	–	–
Total value of improvements (Rm)	–	–	–	–	–	–
Total market value (Rm)	11 942	–	–	–	–	–
Rating:						
Average rate	0.006803	–	–	–	–	–
Rate revenue budget (R '000)	58 939	–	–	–	–	–
Rate revenue expected to collect (R'000)	56 818	–	–	–	–	–
Expected cash collection rate (%)	96.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Special rating areas (R'000)	–	–	–	–	–	–
Rebates, exemptions - indigent (R'000)	–	–	–	–	–	–
Rebates, exemptions - pensioners (R'000)	160	–	–	–	–	–
Rebates, exemptions - bona fide farm. (R'000)	–	–	–	–	–	–
Rebates, exemptions - other (R'000)	–	–	–	–	–	–
Phase-in reductions/discounts (R'000)	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)						

Table 8 MBRR SA13a - Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
				Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Property rates <i>(rate in the Rand)</i>	1					
Residential properties		Residential & Agriculture Residential	0.0065	0.0067	0.0070	0.0073
Residential properties - vacant land		Residential & Other	0.0065	0.0067	0.0070	0.0073
Farm properties - used		Farming - Bona Fide	0.0016	0.0017	0.0018	0.0018
Farm properties - not used		Agriculture Other	0.0016	0.0017	0.0018	0.0018
Industrial properties		Industrial	0.0068	0.0072	0.0075	0.0078
Business and commercial properties		Business & Agriculture Business	0.0068	0.0072	0.0075	0.0078
State-owned properties	-	-	0.0068	0.0072	0.0075	0.0078
Municipal properties	-	-	0.0068	0.0072	0.0075	0.0078
Public service infrastructure		Public Benefit Organisations	0.0065	0.0072	0.0075	0.0078
Exemptions, reductions and rebates <i>(Rands)</i>						
Residential properties						
R15 000 threshold rebate			15,000	15,000	15,000	15,000
Pensioners/social grants rebate or exemption		10% Rebate pensioners		400,000	416,000	432,640
Water tariffs						
Domestic						
Basic charge/fixd fee <i>(Rands/month)</i>	-		104	115	124	132.90
Service point - vacant land <i>(Rands/month)</i>	-		104	104	124	133
Water usage - flat rate tariff <i>(c/kl)</i>	-					
Water usage - life line tariff		(describe structure)				
Water usage - Block 1 (c/kl)		Huishoudelik (< 6kl.)				
Water usage - Block 2 (c/kl)		Huish.: 7 - 20	8	8	8	9
Water usage - Block 3 (c/kl)		21 - 40	8	8	8	9
Water usage - Block 4 (c/kl)		41 - 60	9	9	10	11
Other	2	bo 60	49	49	53	57
Waste water tariffs						
Domestic						
Basic charge/fixd fee <i>(Rands/month)</i>	-		104	115	123	132
Service point - vacant land <i>(Rands/month)</i>	-		104	115	123	132
Waste water - flat rate tariff <i>(c/kl)</i>	-					
Volumetric charge - Block 1 (c/kl)		Besigh.: 0 - 50	8	8	8	9
Volumetric charge - Block 2 (c/kl)		51 - 100	8	8	8	9
Volumetric charge - Block 3 (c/kl)		101 - 150	8	8	9	10
Volumetric charge - Block 4 (c/kl)		151 - 200	9	9	9	10
Other	2	201 - 300	10	10	10	11
Electricity tariffs						
Domestic						
Basic charge/fixd fee <i>(Rands/month)</i>		Single Phase	7	7	8	8
Service point - vacant land <i>(Rands/month)</i>		Three Phase	22	22	24	25
FBE	-		146	146	157	169
Life-line tariff - meter		(how is this targeted?)				
Life-line tariff - prepaid		(describe structure)				
Flat rate tariff - meter <i>(c/kwh)</i>		(describe structure)				
Flat rate tariff - prepaid <i>(c/kwh)</i>	-					
Meter - IBT Block 1 (c/kwh)		Tarrif C				
Meter - IBT Block 2 (c/kwh)		kWh (< 50 kWh)	1	1	1	1
Meter - IBT Block 3 (c/kwh)		Bo 50 kWh tot 350 Kwh	1	1	1	1
Meter - IBT Block 4 (c/kwh)		Bo 350 kwh tot 600 kwh	2	2	2	2
Meter - IBT Block 5 (c/kwh)		Bo 650 Kwh	2	2	2	2
Prepaid - IBT Block 1 (c/kwh)		0.0-50.0 KWh	1	1	1	1
Prepaid - IBT Block 2 (c/kwh)		50.0-350.0 KWh	1	1	1	2
Prepaid - IBT Block 3 (c/kwh)		350.0-600.0 KWh	2	2	2	2
Prepaid - IBT Block 4 (c/kwh)		above 600.0 KWh	2	2	2	2
Prepaid - IBT Block 5 (c/kwh)	-					
Other	2					
Waste management tariffs						
Domestic						
Street cleaning charge						
Basic charge/fixd fee				126	135	145
80l bin - once a week						
250l bin - once a week						

MBRR SA13b - Service Tariffs by category – explanatory

Description	Ref	Provide description of tariff structure where appropriate	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
				Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Exemptions, reductions and rebates (Rands)</u>						
First R15,000 value of properties		No Charge to all residents	0	0	0	0
All registered pensioners with SASSA cards as proof		10%Rebate	0	0	0	0
		-	0	0	0	0
		40%Rebate	0	0	0	0
		30%Rebate	0	0	0	0
		20%Rebate	0	0	0	0
		-				
		40%Rebate	0	0	0	0
<u>Water tariffs</u>						
All residents 6kl free		No Charge to all residents	7	-	-	-
		7kl - 20kl		7	7	8
		21k - 40kl		7	7	8
		41kl - 60kl		8	9	10
		61kl - 80kl		10	11	12
		81kl - 100kl		14	15	16
		101kl and above		22	23	25
<u>Waste water tariffs</u>						
Registered on indigent register		40%& 80%subject council's approved indigent / commiseration policy	141	141	149	158
Registered on indigent register		40%& 80%subject council's approved indigent / commiseration policy	129	129	136	145
<u>Electricity tariffs</u>						
Registered on indigent register		50kwh units free	1	1	1	1
		51kwh - 350kwh		1	1	1
		350.1kwh - 600kwh		2	2	2
		601kwh above		2	2	2

MBRR SA15 - Investment particulars by type

The municipality does not anticipate to have any investments at any year-end. Investments are expected to mature before year-end and thus there will be no investment balances to report on year-end.

MBRR SA16 - Investment particulars by maturity

As indicated above, the municipality does not anticipate to have any investments at any year-end, as all cash balances are budgeted for at year-end as part of the current account.

MBRR SA17 – Borrowing

Borrowing - Categorised by type R thousand	2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Parent municipality</u>				
Annuity and Bullet Loans	4 113	6 651	9 467	8 850
Total Borrowing	4 113	6 651	9 467	8 850

2.14 Manager's quality certificate

NAVRAE:
ENQUIRIES: S Stanley

KONTAKNR
CONTACT NO 028 425 5798

VERW:
REF: 5/3/2017-18 (Final Budget)

KANTOOR:
OFFICES: Bredasdorp

DATUM
DATE 25 May 2017



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

QUALITY CERTIFICATE

I DG1 O'NEILL, municipal manager of **Cape Agulhas Municipality**, hereby certify that the **FINAL BUDGET 2017-2018 MTREF** and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name DG1 O'NEILL

Accounting Officer / Chief Financial Officer of **CAPE AGULHAS MUNICIPALITY WC033** (name and demarcation of municipality)

Signature Sean O'Brien

Date 25/05/17

Part 3 – Appendices

3.1 Appendix A – Tariff Listing

Attached.

3.2 Appendix B – Draft SDBIP

Attached.

3.3 Appendix C – Service Level Agreements

Attached.

3.4 Appendix D– Locking Certificate

Attached.